

# EURONEXT INVESTOR TOOLBOX



Updated on 26 November 2020

## EURONEXT AT A GLANCE

<p><b>6 local markets</b></p> <p>France, Belgium, the Netherlands, Ireland, Portugal, Norway</p>	<p><b>Optiq®</b></p> <p>State-of-the-art proprietary trading platform ensuring seamless operational continuity during COVID 19 crisis</p>	<p><b>Let's grow together 2022</b></p> <p>Euronext new strategic plan for 2019-2022</p>	<p><b>Delivering the leading pan-European market infrastructure</b></p> <p>Contemplated acquisition of Borsa Italiana Group<sup>1)</sup></p>
<p><b>20+ countries</b></p> <p>Including technology centres, sales office, matching engines</p>	<p><b>Single-order book</b></p> <p>Single gateway to the largest liquidity pool in Europe</p>	<p><b>€826 million</b></p> <p>Revenue in 2019 <i>pro forma of acquisitions (1.8x 2014 revenue)</i></p>	<p><b>70.0%</b></p> <p>Cash equity market share in Q3 2020</p>
<p><b>+1,400</b></p> <p>Employees across the world</p>	<p><b>€6.2 billion</b></p> <p>Market capitalization as of 30 October 2020</p>	<p><b>58.8%</b></p> <p>EBITDA margin in 2019 <i>(reported)</i></p>	<p><b>Continued capital deployment</b></p> <p>Acquisitions of NordPool and VP Securities in 2020</p>

# EURONEXT'S DEVELOPMENT SINCE 2000

- 2000 – Merger of Amsterdam, Brussels and Paris exchanges
- 2001 – IPO
- 2002 – Acquisition of Liffe, acquisition of Lisbon exchange
- 2003 – Disposal of Clearnet
- 2007 – Merger with NYSE Group
- 2013 – Acquisition by ICE

**03/2014**  
CARVE-OUT  
CREATION OF  
“NEW EURONEXT”

**05/2016**  
LAUNCH OF  
“AGILITY FOR  
GROWTH”



**2019**  
ACQUISITION OF  
OSLO BØRS VPS



**2020**  
ACQUISITION  
OF VP  
SECURITIES

**10/2020**  
PROPOSED  
ACQUISITION OF THE  
BORSA ITALIANA  
GROUP<sup>1</sup>

**IPO**  
**06/2014**

RENEWAL OF  
CLEARING  
AGREEMENT  
AND 11.1% of  
LCH SA  
**2017**

ACQUISITION OF  
THE IRISH STOCK  
EXCHANGE  
**2018**



LAUNCH OF  
“LET’S GROW  
TOGETHER  
2022”  
**10/2019**



ACQUISITION  
OF NORD  
POOL  
**2020**

DISPOSAL OF LIFFE  
**03/2014**

# EURONEXT: AN OPERATING MODEL, HIGHLY SCALABLE



- A unique gateway for investors to access our markets
- State-of-the-art trading platform Optiq®
- Enabling issuers to remain multi-listed more efficiently
- Transparent cross-border trading of securities on one single trading line
- Ability to easily integrate and support local products and specificities



■ Euronext regulated markets  
■ Euronext sales office / presence

| 1) Indirect users  
 | 2) Spot FX trading on EuronextFX trading platform  
 | 3) Power trading on Nord Pool platform, consolidated from 15 January 2020

# POWERING CAPITAL MARKETS TO FINANCE THE REAL ECONOMY



## ▪ Largest equity listing franchise in Europe:

- Issuers ranging from local SMEs to global large capitalisation, including family owned business
- Strong sectorial expertise including tech, oil & gas, luxury, automotive, fish and shipping industries
- Dedicated approach for each issuer profile, including post-listing advisory

>€3.8 bn<sup>1</sup>  
Market  
Capitalisation



## ▪ Largest corporate debt listing venue globally

- Extended debt listing offering with the acquisition of Euronext Dublin
- Local expertise attracting global clients

~48,000<sup>1</sup>  
listed bonds



## ▪ Leading European marketplace in agricultural products

- Global and European benchmarks for Milling Wheat, Rapeseed and Corn
- Developing value added products and services for producers, exporters, trading houses, refiners, processors and manufacturers

3.5x EU<sup>2</sup>  
milling wheat  
production  
traded



## ▪ Leading global exchange for price hedging of fish and seafood products Fish Pool

- Providing hedging tools allowing producers to invest in operational activities in a longer time perspective
- More than 200 registered trade members: fish farmers, exporters, VAP segment and financial investors

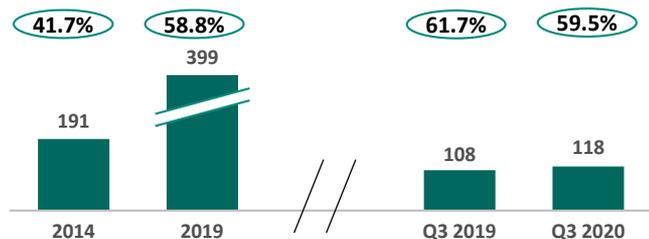
>63.5k ton<sup>1</sup>  
open position  
in salmon

# STRONG FINANCIAL PERFORMANCE SINCE ITS IPO

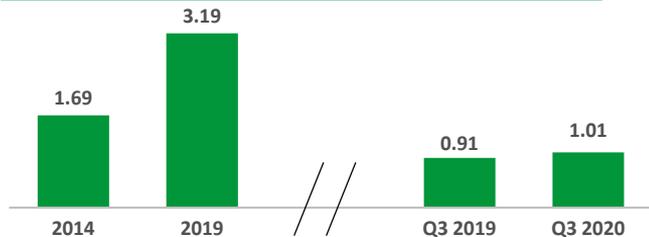
## Revenue (in €m, 3<sup>rd</sup> party revenue only)



## EBITDA (in €m, based on 3<sup>rd</sup> party revenue)



## Reported earnings per share



**60%+**

EBITDA converted into net operating cash flow since IPO

**1.4x**

Net debt to EBITDA as of Sept'20, based on proforma LTM EBITDA

**S&P Global**  
Ratings

**A- note, A- (outlook stable)**

*Inaugural bond*  
**€500 million, 7 years**

- maturing on 18 April 2025
- Coupon: 1%,  
Re-offer Yield: 1.047%
- Oversubscribed 4 times

*Second bond*  
**€750 million<sup>1)</sup>, 10 years**

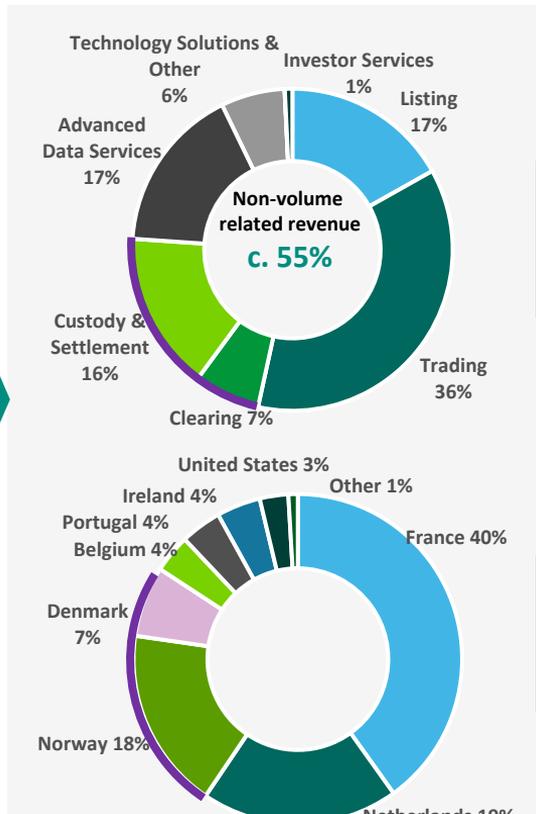
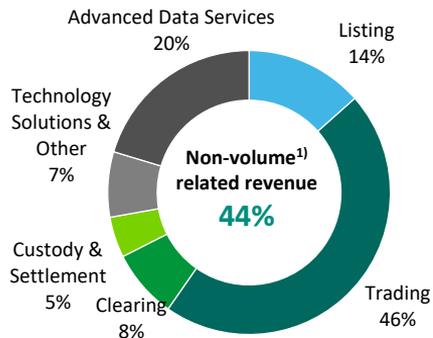
- maturing on 12 June 2029
- Coupon: 1.125%,  
Re-offer Yield: 1.219%
- Oversubscribed 6 times

# BUSINESS IS TODAY MORE DIVERSIFIED, MORE STABLE AND MORE INTERNATIONAL

2014 revenue €458m

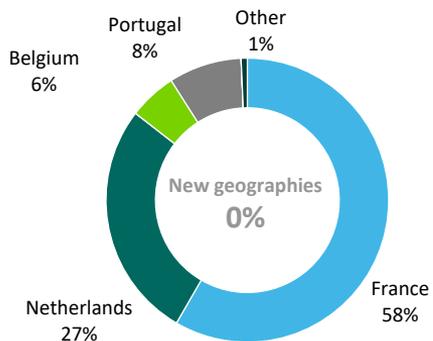
2019 Pro forma Revenue<sup>4)</sup> c. €826m

Business lines<sup>2)</sup>



c. 23%  
Revenue from post-trade activities<sup>4)</sup>

Geographies<sup>3)</sup>



c. 25%  
Revenue from the Nordic region<sup>4)</sup>



1) Non-volume related revenue includes Custody & Settlement, Advanced Data Services, Technology Solutions & Other and Listing excluding IPO revenue

2) Other includes Sweden, UK, Hong Kong

3) Before the acquisition of VP Securities

4) Including Oslo Bors VPS, Nordpool, OPCVM 360 and VP securities

***'LET'S GROW TOGETHER 2022'***  
**EURONEXT STRATEGIC PLAN**

---

# LEVERAGING EURONEXT'S UNIQUE FEDERAL MODEL, CREATING A SUSTAINABLE COMPETITIVE ADVANTAGE



- **Simplicity of access to European markets:** single pool of liquidity, single best-in-class trading platform, single rule-book, single regulatory framework
- **Proximity to local clients** and best positioned to meet their needs
- **Diversity of flows:** global mega-flows meet local and retail flows from 6 countries
- **Strong links with local regulators** and efficient dialogue and coordination with the College of Regulators
- **Ability to attract single-country exchanges** to join the federal model thanks to decentralised model and **strong integration track record**
- **Large investor customer base**, especially in Europe, from generalists to specialists, with a strong focus on ESG
- **6 local markets**, each with a group-wide responsibility
- **Attractive workplace** with local and global career opportunities

## BUILDING ON STRONG ASSETS TO DELIVER FUTURE GROWTH

- 1 Cutting-edge proprietary technology platform Optiq®
  - 2 Strong listing franchise with sectorial expertise, local footprint and leading global position
  - 3 Strong national and ESG indices
  - 4 Comprehensive suite of Corporate and Investors Services
  - 5 Expertise in liquidity and yield management to remain the reference market with the deepest liquidity pool
  - 6 Culture of efficiency
  - 7 Agile capital deployment, flexibility
- ┌ Premium level performance, increased stability and scalability
  - ┌ #1 listing venue in Europe, #1 exchange for SMEs in Europe, #1 venue globally for debt and funds listings
  - ┌ Home of the CAC 40, AEX-Index, BEL 20, PSI 20, ISEQ 20, OBX and Low Carbon 100 Europe
  - ┌ Governance, communication, compliance, advisory & investors relation solutions
  - ┌ Largest liquidity pool as #1 cash trading venue in Europe
  - ┌ Lean organisation and continuous efforts to improve assets utilisation
  - ┌ €1+ billion capital deployed supported by long-term financing



## Our ambition

**Build the leading pan-European market infrastructure**

## Our mission

**Connect local economies to global capital markets,  
to accelerate innovation and sustainable growth**

## LET'S GROW TOGETHER 2022: EURONEXT STRATEGIC PLAN TO FULFILL ITS AMBITION

DIVERSIFY LOCAL AND  
GLOBAL INFRASTRUCTURES

ENHANCE CLIENT  
CONNECTIVITY

DELIVER OPERATIONAL  
EXCELLENCE

EMPOWER PEOPLE TO  
GROW, PERFORM AND  
INNOVATE

ENABLE SUSTAINABLE  
FINANCE

EXECUTE VALUE-CREATIVE  
M&A PROGRAMME

**BUILD THE LEADING PAN-EUROPEAN MARKET INFRASTRUCTURE**

# INNOVATION IS AT THE HEART OF EURONEXT'S 2022 STRATEGY

1

## Empower all staff to innovate

leveraging innovative methodologies such as design thinking and sharing know-how across the whole group, including key learnings from recently acquired companies

**Deepen co-operation with clients,** consistently with the Client Centricity Programme

4

Accelerate business innovation, leveraging latest technologies

- **Tokenisation** to capture alternative financing opportunities
- **Bespoke trading models** leveraging new data approach
- **Artificial intelligence** to address new data needs and opportunities

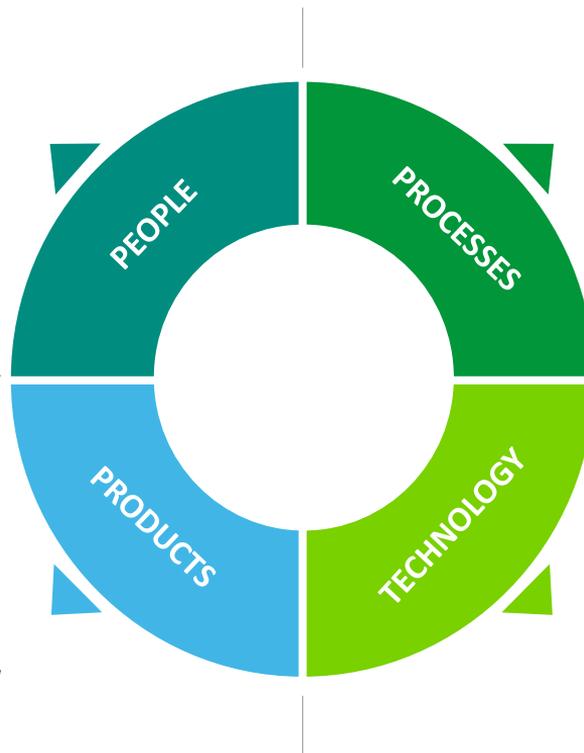
2

**Leverage digitalisation** for operational innovation, enhanced client experience and deeper client relationships and analytics

3

Further enrich Euronext's core technology capabilities:

- Continue building modular layers on top of Optiq® core central order book
- Further deployment of **cloud**
- Fully functional **distributed ledger technology stack**



## LET'S GROW TOGETHER 2022: ACCELERATING THE TRANSITION TOWARDS SUSTAINABLE FINANCE

Euronext has a special position in the financial ecosystem. It serves the real economy by bringing together buyers and sellers in high integrity trading venues that are transparent, efficient and reliable. In this key role, Euronext has a responsibility vis-à-vis the whole finance community to contribute to the financial stability and the sustainable agenda in the countries in which it operates.

Driving investment in innovative, sustainable products and services through secure and transparent markets, in continuous dialogue between the players of the financial community

Inspiring and promoting tangible sustainable practices within the company and towards our communities, by respecting and developing our people and by supporting our ecosystem

### Impact areas

OUR ENVIRONMENT

OUR MARKETS

OUR PEOPLE

OUR PARTNERS

OUR SOCIETY

## LET'S GROW TOGETHER 2022:

### A CLEAR ROADMAP ALIGNED WITH THE UNITED NATIONS' SUSTAINABLE DEVELOPMENT GOALS

#### OUR MARKETS



- Organise a trusted, fair, transparent and efficient market, thereby enhancing access to capital
- Promote and develop sustainable and innovative products

#### OUR ENVIRONMENT



- Reduce our own carbon footprint and contribute to the protection of the environment

#### OUR PEOPLE



- Develop skills and retain talents in an open culture of dialogue
- Promote diversity
- Promote human rights

#### OUR PARTNERS



- Foster Issuer-Investor dialogue
- Maintain an ongoing dialogue with multi-stakeholder partnerships
- Educate partners on financial literacy and regulations

#### OUR SOCIETY



- Act ethically, with integrity and the highest standards in terms of good governance
- Educate and engage with local communities

# ESG | EMPOWERING SUSTAINABLE GROWTH

## 1 Launch of a new suite of ESG-focused products, services and initiatives

- Introducing the new **Euronext ESG 80** index and derivatives
- Aligning Europe's leading Low Carbon 100 index to the Paris Agreement
- Expanding Euronext ESG bonds offering to other ESG bonds: Sustainability, Social, Sustainability-Linked and Blue
- Launching new ESG services and solutions for listed companies
  - ESG advisory
  - Virtual roadshow
  - Digital corporate governance

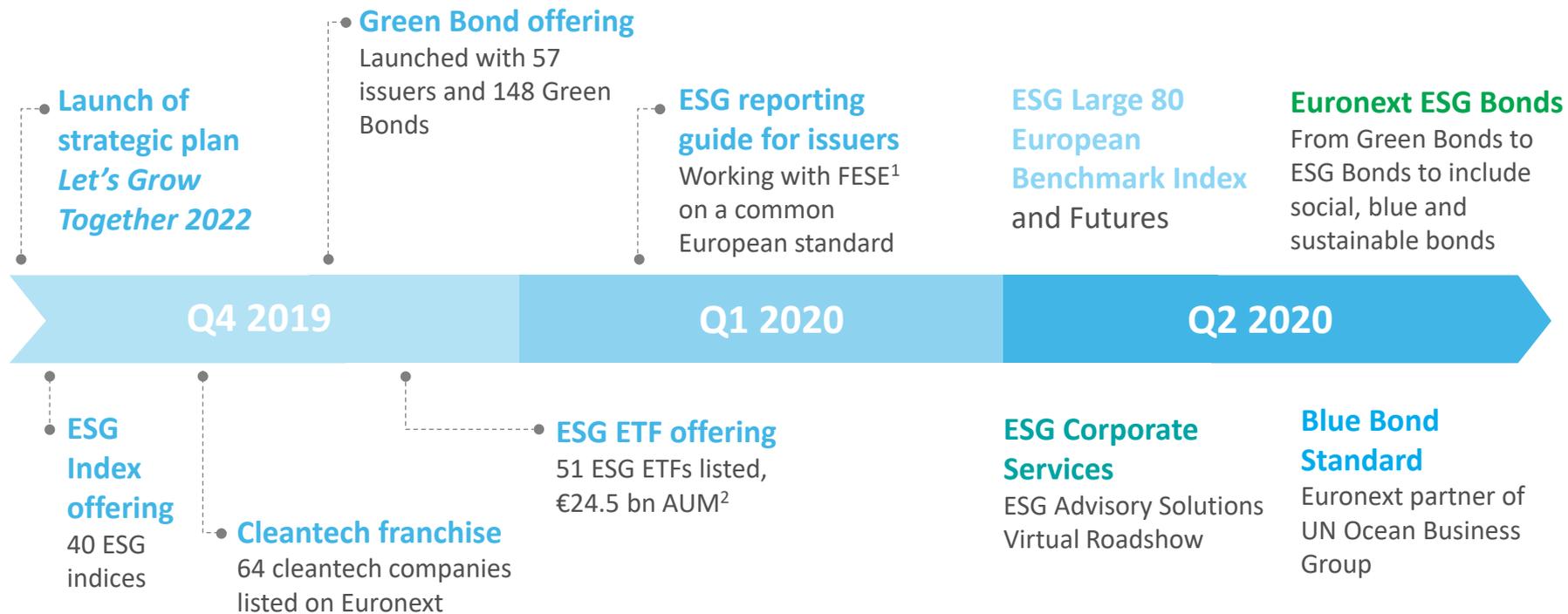
## 2 Endorsing the UN Global Compact's Ocean principles

- Official Supporter of the UN Sustainable Stock Exchange initiative since 2015
- 1<sup>st</sup> exchange to sign the nine Ocean Principles with the ambition to take a leading role in advancing the Blue Economy
- Endorsed the Task Force on Climate-related Financial Disclosure recommendations in 2018
- Engaged with the United Nations Global Compact Sustainable Oceans Business Group since 2019 and set up United Nations Blue Bond principles in April 2020



# A STRONG SUITE OF ESG PRODUCTS AND SERVICES TO ACCELERATE SUSTAINABLE INVESTMENT

Most recent ESG developments and immediate plans:





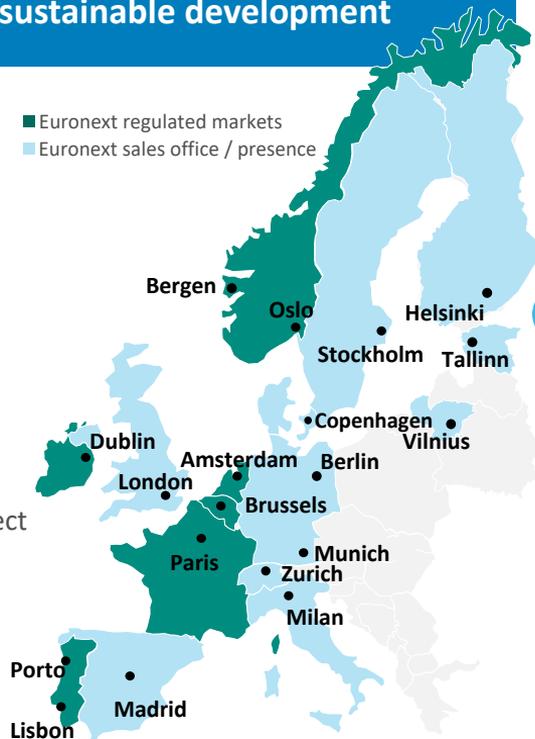
Conserve and sustainably use the oceans, seas and marine resources for sustainable development

## Euronext: a European player connected to the ocean

Euronext countries share:

- Tradition of fishing and shipping
- Leading ports with global position
- History of seafaring
- Current coastal and marine tourism
- Committed to limit climate change, protect biodiversity and fight water pollution

■ Euronext regulated markets  
■ Euronext sales office / presence



## OUR SOCIETY

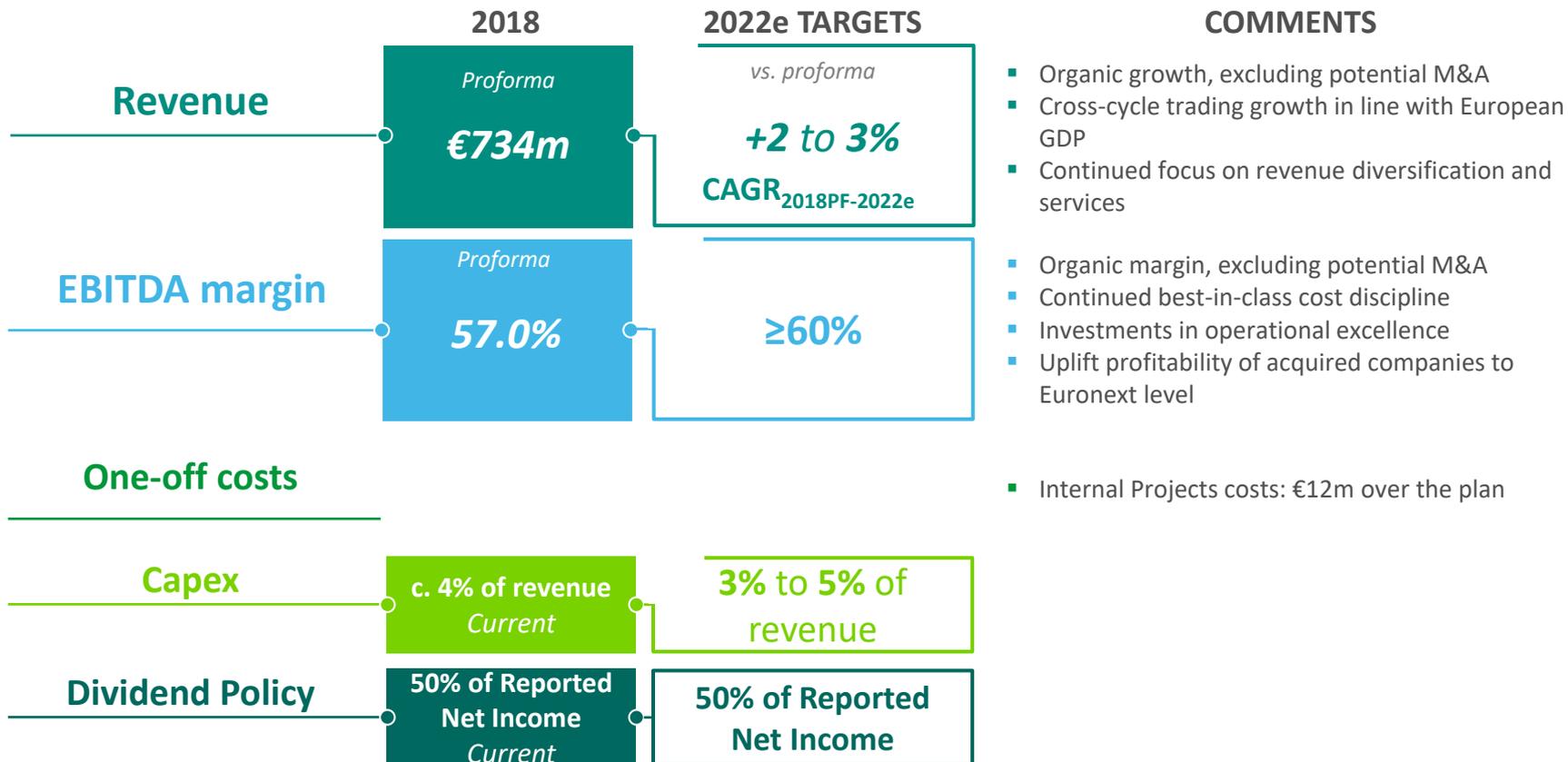
Developing a community action plan supporting the Blue Economy within the UN framework



- Official Supporter of the **UN Sustainable Stock Exchange initiative** since 2015.
- Endorsed the **Task Force on Climate-related Financial Disclosure** recommendations in 2018.
- Engaged with the **UN Global Compact Sustainable Oceans Business Group** since 2019.
  - Set up UN Blue Bond principles in April 2020.
  - Available on the new Euronext ESG Bonds offering.
  - Adhered to the UN Global Compact Principles and the nine Ocean Principles in June 2020.

# REMINDER OF THE 2022 ORGANIC FINANCIAL TARGETS

EXCLUDING RECENT ACQUISITIONS IN THE NORDICS





## EXPANSION STRATEGY



# EURONEXT CAPITAL ALLOCATION STRATEGY

## RIGOROUS CAPITAL ALLOCATION POLICY

- Investment criteria: **ROCE > WACC** in year 3 to 5
- Optimised leverage with credit floor rating  $\geq$  **Investment grade**

### 1 Take recent successes to the next level

Corporate  
Services

FX  
stack

Index & data  
franchise

### 2 Develop new growth and diversification initiatives

Investor  
services

New asset  
classes

Post trade  
solutions

### 3 Transformational deals

Expansion of the  
federal model

Diversification of the  
revenue base

# DEPLOYING CAPITAL TO SUPPORT EURONEXT'S EXPANSION STRATEGY

## New services



February 2017

- Acquisition of 51%
- Comprehensive range of webcast, webinar and conference call services for Investor Relations and corporate events



July 2017

- Acquisition of 60%
- Dematerialized board portal solution and decision making tool for corporates and public organisations



January 2018

- Acquisition of 80%
- Management of insider lists

### European Tech SMEs initiative

September 2017

- Launch of a European Tech SME initiative beyond core domestic markets, opening offices in four new countries – Germany, Italy, Spain and Switzerland –



December 2018

- Acquisition of 78%
- Research and commission management for buy side/sell side

## Post-trade development



December 2017

- 11.1% stake in LCH SA
- 10-year agreement for the clearing of derivatives products



July 2017

- European post-trading blockchain infrastructure for the Small and Medium Enterprise (SME) market



Closed in August 2020

- Danish domestic CSD
- Expansion of Euronext federal model and post trade franchise



August 2017

- Fastest growing electronic communication network in the spot FX market
- Acquisition of a 90% stake



January 2020

- Second largest power market in Europe
- Acquisition of 66% of Nord Pool's share capital

## Expansion of the federal model



Closed in March 2018

- Acquisition of 100% of the shares
- Expansion of Euronext federal model and debt franchise



Closed in June 2019

- Acquisition of 100% of the shares
- Expansion of Euronext federal model and post trade franchise

## Innovation solutions



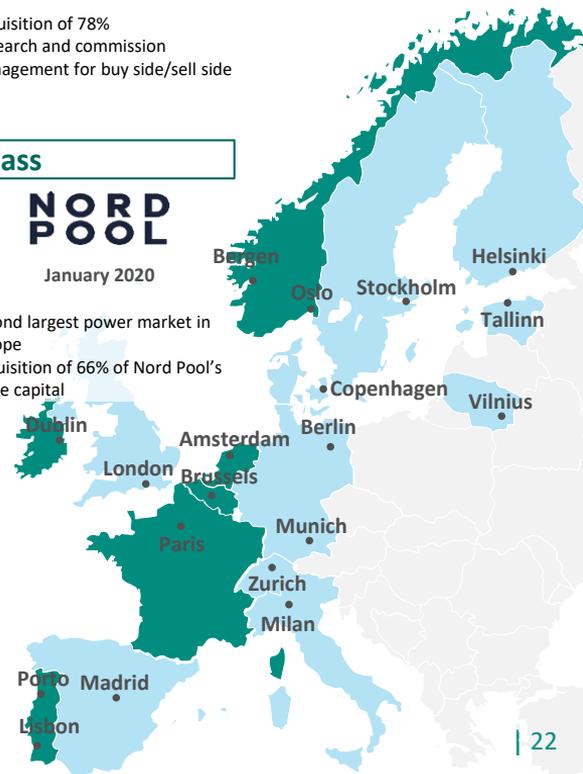
June 2019

- Acquisition of a 23.5% stake
- Compliant tokenisation platform



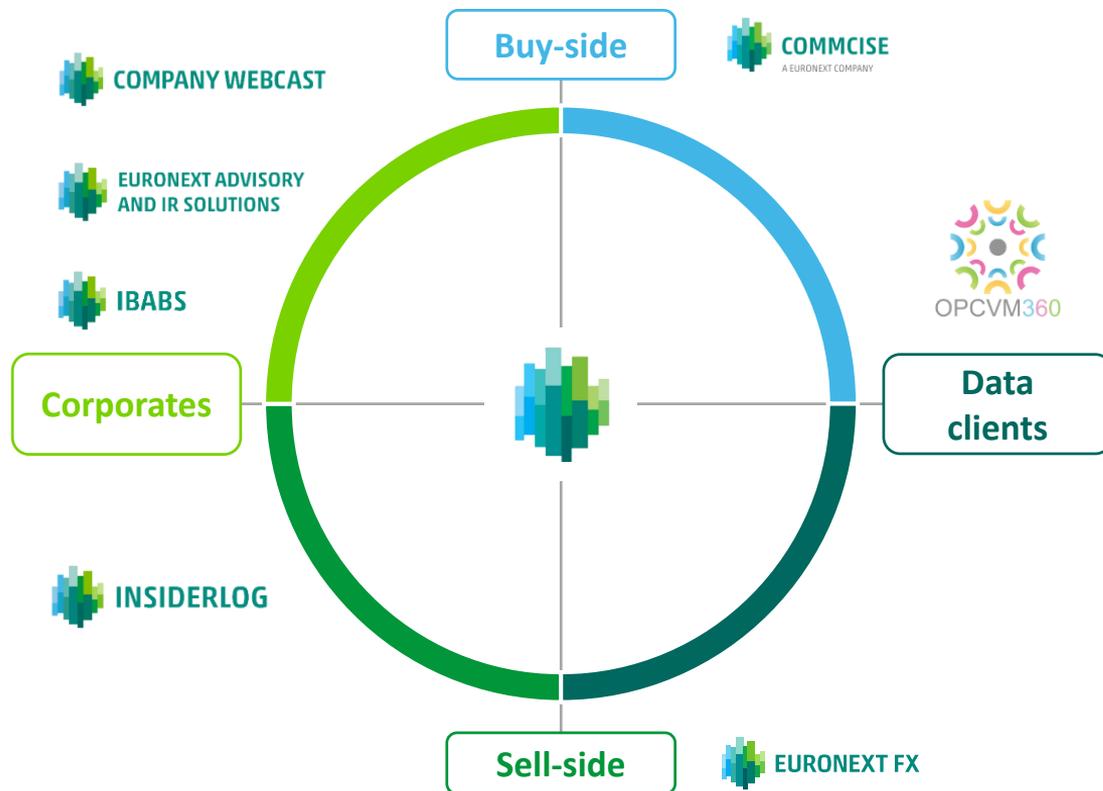
July 2019

- Acquisition of a 60% stake
- Leading fund data provider



# INVESTING IN FAST-GROWING REVENUE SERVICES AND NEW ASSET CLASSES

- Build a complete **service suite offering to meet clients** demand stemming from regulation (MiFID II, MAR,...)
- **Improve business mix** thanks to high-growth non-volume related revenues
- Increased client **reach** and **cross selling** among countries and businesses
- **Further expansion** opportunity through bolt-on acquisitions to better serve clients
- Expansion to new asset classes with **Euronext FX**
- **Autonomy within a common framework** for acquired companies
- More than €48 million additional revenue in 2019



## EXPANSION IN THE NORDIC REGION

---

## CONTINUED SUCCESSFUL EXPANSION IN THE NORDIC REGION

€850m+

Capital deployed or committed in the Nordic region since 2019

+2 CSDs

Strengthening the post-trade business

+1 asset class

with the expansion into power trading



- Euronext regulated markets
- Euronext sales office / presence
- VP Securities



# OSLO BØRS VPS AND EURONEXT, A COMBINATION FOR GROWTH

## 1 DEVELOP THE STRONG BRAND AND FRANCHISE CAPACITY OF OSLO BØRS

- As an international listing franchise in the energy, seafood and shipping sectors
- As the Euronext centre of expertise for commodities
- As a leading high yield bond franchise

## 2 VPS TO BECOME THE MOST DYNAMIC CSD IN THE NORDICS

- Provide the market with a cost-efficient, reliable and comprehensive CSD offering
- Constantly improve the efficiency of service to issuers and investors
- Develop new products and services for local and global clients

## 3 LEVERAGING EURONEXT'S CAPABILITIES FOR NORWEGIAN ECOSYSTEM

- Cross-sell value added services for investors and issuers
- Deploy Euronext cutting edge trading technology and IT infrastructure
- Local investors to benefit from new asset classes trading capabilities and largest liquidity pool in Europe
- Issuers to access dedicated markets for SMEs and large resources to finance their growth

## 4 USE OSLO BØRS VPS AS THE GROUP LAUNCHPAD FOR EXPANSION IN THE NORDICS

- Propose a dynamic marketplace for Nordics players
- Enter the Nordics markets with the Group's value added services
- Framework for further Nordics ambitions

## 5 DEVELOP A SHARED COMMON CULTURE

- Leverage core employee expertise out of the Nordics region
- Embed innovation and modernisation mindset

# OSLO BØRS VPS AND EURONEXT, A PROFITABLE COMBINATION

## 1 A PROFITABLE COMBINATION

- Expected return on capital employed above cost of capital in year 3, in line with the Group's M&A discipline
- Recurring earnings accretion in 1<sup>st</sup> year

## 2 EXPECTED COSTS SYNERGIES

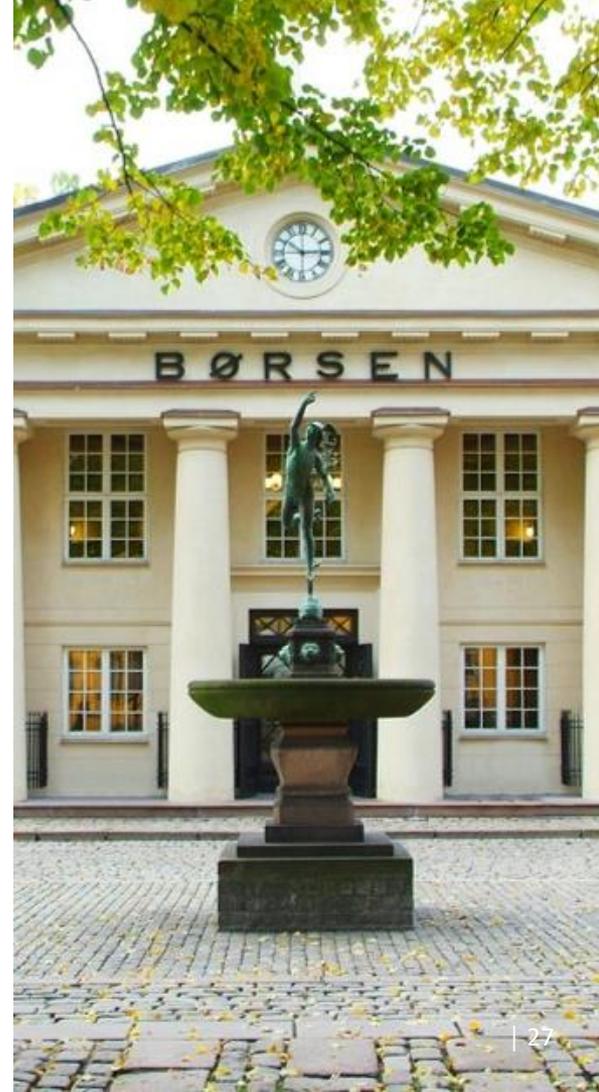
- Migration of the current trading system to Optiq®, Euronext's cutting edge trading technology
- Operating model optimisation
- Local IT footprint rationalisation and outsourcing to Euronext group-wide components
- Real estate optimisation
- Review of other material contracts

**€12m**

EXPECTED  
RUN-RATE COST  
SYNERGIES BY 2022

**€18m**

EXPECTED  
RESTRUCTURING  
COSTS



## ACQUISITION OF NORD POOL

Expanding into the power markets and strengthening the Nordics footprint

### 1 | NORD POOL IN A BRIEF

- Created in 2001 as a result of the liberalization of Power markets in the Nordics, Nord Pool is the second largest trading venue for power in Europe, with historically strong leading positions in the Nordic region and a competitive position in the UK power trading market. It allows day-ahead and intraday physical trading and is not involved in cash settled derivatives
- It operates core day-ahead markets in the Nordics, Baltics and the UK, and additional intraday markets in France, Germany, Belgium, the Netherlands and Luxembourg

### 2 | STRATEGIC RATIONALE

- Diversifying Euronext revenue mix to new asset classes not correlated with financial market cycles
- Strengthening Euronext commodity franchise by leveraging Nord Pool's leadership position and know-how in physical power markets

360  
Customers

494 TWh  
Traded in  
2019

20  
Countries



# ACQUISITION OF VP SECURITIES

Strengthening Euronext post-trade business

## 1 INTRODUCTION TO VP SECURITIES

- Established in 1980 and headquartered in Copenhagen, VP provides national issuers with core CSD services as well as value-added services to the ecosystem such as investor relations tools and sub-custody services
- First Nordic CSD to be granted a CSDR license and T2S settlement system

## 2 STRATEGIC RATIONALE

- Significant expansion of Euronext's footprint in the Nordic region, following acquisitions of Oslo Børs VPS and Nord Pool
- Doubling of Euronext's CSD business size, further improving Euronext's revenue mix and increasing the share of non-volume related revenue
- DKK1.12bn (c. €150m) offered for 100% of the shares. Euronext has opened an offer to all remaining shareholders, at the same terms and conditions

**c.€57.1m**  
revenue in  
2019

**c.€15.8m**  
EBITDA in  
2019

**€1.2tn**  
assets under  
custody in  
2019

**16.6m**  
Securities  
settled in  
2019



# UPDATE ON VP SECURITIES ACQUISITION

## 1 PROCESS UPDATE

- Danish FSA clearance received on 15 July 2020, closing occurred on 3 August 2020 (90.68% of the total shares<sup>1)</sup>)
- Compulsory redemption finalized on 23 October 2020. Euronext owns 100% of the shares of VP Securities
- Expected return on capital employed in line with the Group's M&A discipline, recurring earnings accretion in 1<sup>st</sup> year

## 2 EXPECTED SYNERGIES

- Operating model optimisation
- Optimisation of IT footprint and rationalisation of support functions
- Restructuring provision expected in Q4 2020

**€7m**

EXPECTED  
RUN-RATE CASH COST  
SYNERGIES BY 2023

**€11.5m**

EXPECTED  
IMPLEMENTATION  
COSTS



## CONTEMPLATED ACQUISITION OF THE BORSA ITALIANA GROUP

---

# CREATING THE BACKBONE OF THE CAPITAL MARKET UNION IN EUROPE

€4.4tn

market cap.<sup>1</sup>

#1 LISTING VENUE AND EQUITY  
FINANCING IN EUROPE

€11.7bn

trading ADV<sup>2</sup>

#1 EUROPEAN EXCHANGE IN  
CASH EQUITIES & ETF TRADING

€207.9bn

fixed income ADV<sup>2</sup>

LEADING EUROPEAN GOVERNMENT  
BONDS TRADING PLATFORM

€14.3tn

repo cleared<sup>2</sup>

ONE FULLY-OWNED CLEARING  
HOUSE

€5.6tn assets

under custody<sup>1</sup>

#3 CSD FRANCHISE IN EUROPE

- Creating the **largest liquidity pool** within the European capital markets union aiming to deliver **sustainable superior market quality and value for local and global clients**
  - Strengthens Euronext's **leadership** in European cash equities
  - Significantly **enhances scale and diversifies business mix** through new asset classes and expansion of post-trade operations
  - Enhance Euronext's mid-term strategic outlook **opening opportunities** for product innovation, geographical expansion and business diversification

The full presentation of the deal is available here:  
<https://www.euronext.com/en/investor-relations/financial-calendar/acquisition-borsa-italiana-group>

# AN ATTRACTIVE TRANSACTION WITH COMPELLING VALUE PROPOSITION FOR SHAREHOLDERS

**€4,325  
million**

**CASH CONSIDERATION<sup>(1)</sup>**

**€60M  
RUN-RATE  
SYNERGIES**

**EXPECTED FROM THE  
COMBINATION IN YEAR 3**

**DOUBLE  
DIGIT<sup>(3)</sup>  
ACCRETION**

**EXPECTED AFTER RUN-RATE  
SYNERGIES IN YEAR 3**

## 1 A PROFITABLE COMBINATION

- Combined Group<sup>(2)</sup> FY2019 revenue of €1.3bn, EBITDA of €711m and EBITDA margin of 55%
- €45m annual run-rate pre-tax cost synergies and €15m annual run-rate pre-tax revenue synergies to be achieved by year 3
- Mid-single digit adjusted EPS accretion<sup>(3)</sup> expected before synergies, and double digit accretion<sup>(3)</sup> expected after run-rate synergies in year 3

## 2 FINANCING AND TIMING

- All-cash transaction, equity value of €4,325 million<sup>1</sup>
- Final financing of the transaction following the proposed combination includes:
  - ~€0.3bn of use of existing cash and ~€1.8bn of new debt to be issued
  - ~€2.4bn of capital increase including (i) a private placement to CDP Equity<sup>4</sup> and Intesa Sanpaolo<sup>5</sup>, two cornerstone Italian investors and (ii) a rights offer to Euronext shareholders (including CDP Equity and Intesa Sanpaolo)
- Fully-committed financing through bridge loan facilities fully underwritten by a group of banks
- Expected completion by H1 2021, subject to conditions

# A NATURAL ADDITION TO EURONEXT'S FEDERAL MODEL – GOVERNANCE EVOLUTION

Evolution of governance in line with Euronext's two-tier federal governance model

## 1 Reference Shareholders

---

- CDP Equity and Intesa Sanpaolo to join the Reference Shareholders' group
- Reference Shareholders will renew their agreement at closing, for a lock-up period of 3 years of certain of the Reference Shareholders ordinary shares in Euronext, subject to certain exception

## 2 Supervisory Board and Extended Managing Board

---

- Two Italian representatives on the Supervisory Board:
  - One prominent Italian businessperson to become independent Chair of the Supervisory Board
  - One representative of CDP Equity to join the Supervisory Board
- Two Italian representatives on the Extended Managing Board:
  - Borsa Italiana's CEO to join the Managing Board
  - MTS' CEO to join the Extended Managing Board with group-wide responsibilities for fixed income trading

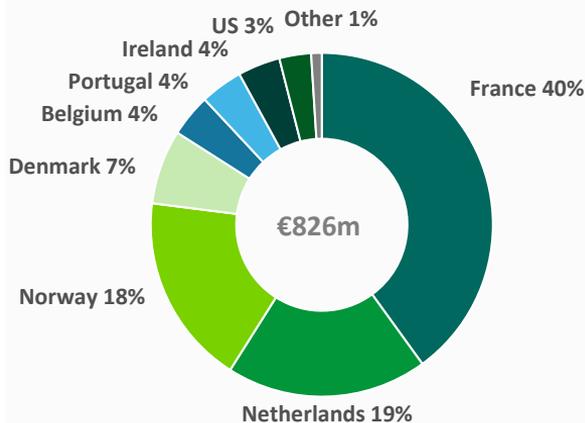
## 3 Regulatory supervision

---

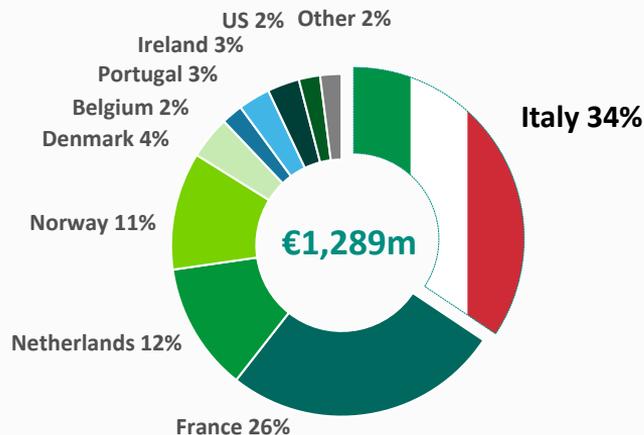
- Consob to be invited to join the College of Regulators

# ITALY TO REPRESENT 34% OF THE COMBINED GROUP REVENUE AND FURTHER EXPANDING Euronext's FOOTPRINT

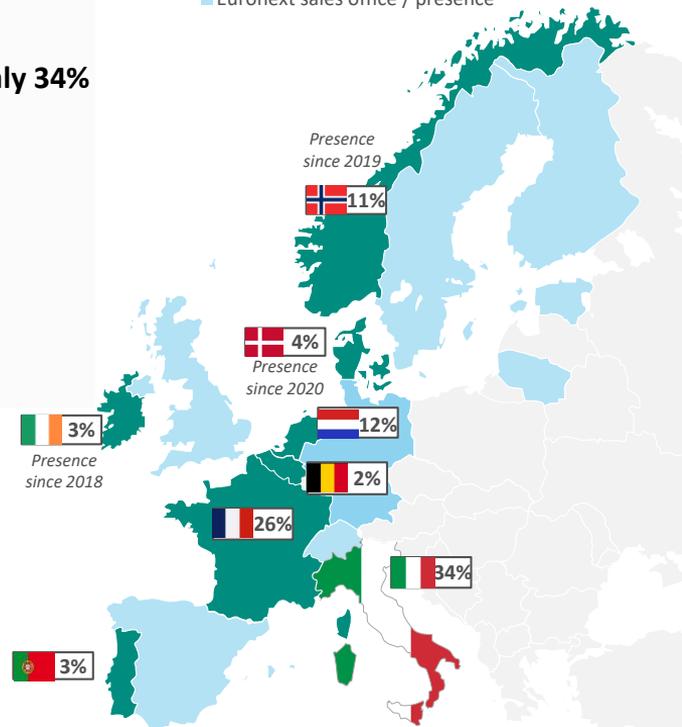
Euronext FY2019 revenue<sup>1)</sup>



Combined Group FY2019 revenue<sup>2)</sup>



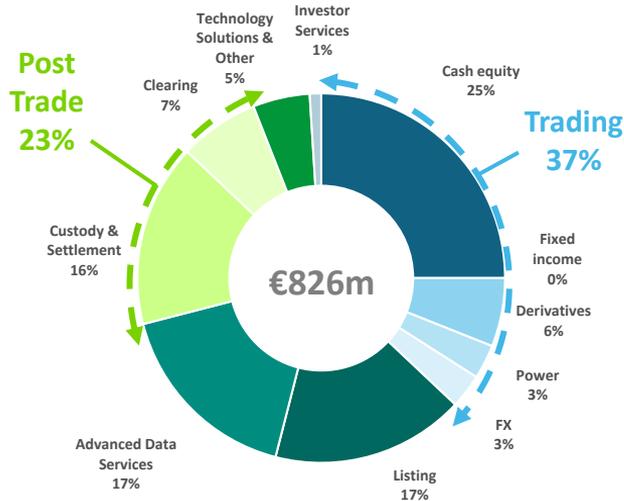
■ Euronext regulated markets  
■ Euronext sales office / presence



Italy to become largest contributor of the combined group, contributing 34% of combined Group revenue

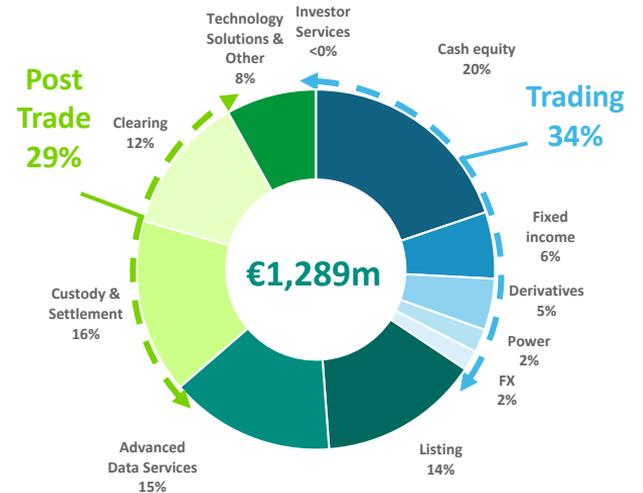
# SIGNIFICANT DIVERSIFICATION OF EURONEXT'S BUSINESS MIX WITH FIXED INCOME TRADING, CLEARING AND CSD CONSOLIDATION

**EURONEXT**  
FY 2019 REVENUES<sup>(1)</sup>



- ✓ Diversification of the revenue mix
- ✓ Expansion to new asset class: Fixed income trading
- ✓ Strengthened post trade business

**EURONEXT** **COMBINED GROUP REVENUES**  
**Borsa Italiana** FY2019<sup>(1)</sup>



## INDICATIVE TIMETABLE AND NEXT STEPS

### EXPECTED COMPLETION BY H1 2021

#### KEY MILESTONES

- ✓ 9 October 2020: Signing of share purchase agreement
- ✓ 20 November 2020: Euronext's extraordinary general meeting approval of the proposed combination, the private placement with CDP Equity and Intesa Sanpaolo, and the rights offer
- Q4 2020 - Q2 2021: Targeted regulatory and competition approvals
- By the end of H1 2021: expected completion of the proposed combination, private placement with CDP Equity and Intesa Sanpaolo, and rights offer

#### KEY CLOSING CONDITIONS

- ✓ 3 November 2020: Approval of the transaction by the London Stock Exchange's shareholders General Meeting
- ✓ 11 November 2020: Approval of the transaction by the German Federal Cartel Office
- Several regulatory approvals in Italy, UK, US, Belgium and France
- Declaration of Non-Objection from Euronext's College of Regulators
- Outcome of the European Commission's review of LSEG's acquisition of Refinitiv and that transaction closing in accordance with its terms



## EURONEXT BUSINESSES

---

# DEVELOPING OPTIQ®, THE NEW GENERATION TRADING PLATFORM



## Premium level performance

- Leverage state-of-the-art technology to ensure reliability, enhanced throughput and predictable latency



## Increased stability

- Enhanced efficiency and performance through improved connectivity and protocols, and optimised messaging model



## Flexibility

- Provide customers with a simplified and flexible system allowing better time-to-market to deliver new initiatives and implement customers' requests

## Enhancing Euronext markets for its clients and partners

- Trading Members on Euronext Cash and Derivatives markets
- Technology providers offering software and access to Euronext markets
- Data vendors and clients consuming Euronext Market data
- Successful migration of Euronext Dublin market to Optiq®

Highly reliable and scalable platform to cope with further expansion and volatility



15µs

Latency, compared to 132µs on UTP

99.99%

Stability on equities

Unlimited scalability

Asset-classes agnostic

## Migration timeline

- July 2017: migration from XDP to Market Data Gateway
- April – June 2018: Euronext Cash markets on Optiq®
- February 2019: Euronext Dublin on Optiq®
- December 2019 – Euronext Derivatives markets on Optiq®

# A STRONG AND DIVERSIFIED COMPANY: LISTING

LISTING ACTIVITY DRIVEN BY MONEY RAISED, NEW SERVICES AND FRANCHISE EXPANSION

## Accelerate the growth of issuers by leveraging strong sectorial expertise and innovation

- Leverage its leadership in listing to expand its sectorial, Tech and SME expertises
- Attract even more international issuers
- Be positioned upstream in the IPO process to accompany entrepreneurs and corporate leaders while getting closer to private equity players to become the preferred exit strategy

## Taking success in Corporate Services to the next level

- Develop ESG educational materials for listed and non-listed companies
- Develop its innovation and sustainable offering in Corporate Services to better meet the needs of its clients.
- Expand internationally and grow in all segments

## Leverage global position in debt, funds and ETFs and develop ancillary services

- Launch the trading of Euronext Dublin listed bonds
- Expand ancillary services
- Expand its leading green bond offering with a dedicated listing segment

## Revenue model

- Initial admission fees based on market cap. / money raised, fees on money raised for follow-ons (both capped)
- Annual fees based on market cap. / outstanding securities (both capped)
- Subscription based Corporate Services offering



€129m, 2019 revenue

92% non-volume related

19% of total Group revenue

€1.3 trillion

total money raised over 2019

50,900 equity and debt securities listed

2<sup>nd</sup> largest equity issuers pool in Europe

#1 European listing venue for Tech companies

2,500+

Corporates Services clients

# A STRONG AND DIVERSIFIED COMPANY: CASH TRADING

## THE MARKET OF REFERENCE FOR LIT CASH EQUITY TRADING

### Capitalise on federal model

- Prioritise 'natural' flow: retail and institutional
- Develop services for local brokers and buy- sides in each market

### Leverage the value chain

- Maximize touch points with buying centers
- Reach more end clients with tailored fee schemes and service offers
- Create alignment and partnership with global banks

### Expand market models

- Euronext's core franchise to remain lit, including some traditional multilateral markets
- Study the extension to other models

### Revenue model

- Transaction-based fees charged per executed order and based on value traded



€206m, 2019 revenue

0% non-volume related

30% of total Group revenue

7 local markets

180+ cash equity trading members

€8.1 billion ADV on Euronext over 2019

65%+ market share on cash equity trading

# A STRONG AND DIVERSIFIED COMPANY: DERIVATIVES TRADING

## EURONEXT DERIVATIVES MARKETS: A LEADING PAN-EUROPEAN TRADING VENUE

### Financial derivatives

- Strengthen the core franchise, improving client experience with Optiq® for Derivatives and optimizing pricing and market making schemes
- Diversify the offering, by developing pan-European options, growing products aiming at generating clearing efficiencies and securing retail flow with competitive market structure

### Commodities

- Focus on the core commodities franchise, allowing for new products and extended delivery network
- Intensify the client approach by targeting new geographies and expanding outside of core customers
- Diversify the product offering outside of agricultural products, integration Oslo Børs commodity products, developing cash settled products and the launch of Paris Real Estate futures

### Revenue model

- Transaction fee charged per lot traded



€44m, 2019 revenue

0% non-volume related

6% of total Group revenue

**CAC 40® contract**

the second most traded national index future in Europe

**€4 trillion**

traded notional value on Euronext

**2.1 million tonnes**

of wheat traded daily

**Benchmark agricultural contracts**

## A STRONG AND DIVERSIFIED COMPANY: FX TRADING

NEW ENTRANTS AS EURONEXT FX DISPLACING TRADITIONAL PLAYERS - CONTINUED SHIFT TO ECNS FROM DIRECT PLATFORMS

### Diversification opportunities

- Launch derivatives products
- Go-live for Singapore matching engine
- Expand market data offering
- Capitalise on leading technology solution

### Continued consolidation of core FX trading platform

- Accelerate growth in client acquisition
- Client base diversification with increased participation from buy-side, broker-dealers and regional banks

### Revenue model

- Transaction-based fees charged per executed order and based on value traded



€23m, 2019 revenue

0% non-volume related

3% of total Group revenue

#1 FX pure spot  
venue globally

\$18.3 billion  
traded daily over 2019

€22.9 million  
revenue in 2019

4 matching engines  
in Singapore, New-York,  
London and Tokyo

# A STRONG AND DIVERSIFIED COMPANY: POWER TRADING

FROM Q1 2020 – CONTINUE REVENUE DIVERSIFICATION AND GEOGRAPHIC EXPANSION

## Diversification opportunities

- Strengthening Euronext commodity franchise by leveraging Nord Pool's leadership position and know-how in physical power markets
- Nord Pool will benefit from Euronext's extended footprint and commercial efforts in continental Europe to expand the reach of its leading technology

## Continued expansion of Euronext Nordic footprint

- Nord Pool is the second largest power market in Europe, offering trading, clearing, settlement and associated services in both intraday and day-ahead physical markets across 14 European countries, notably in the Nordic and Baltic regions

360 customers

494 TWh of power traded in 2019

20 countries

## Revenue model

- Transaction-based fees charged
- Consulting Services
- Data
- Technology solutions

0% non-volume related

# A STRONG AND DIVERSIFIED COMPANY: ADVANCED DATA SERVICES

A WIDE RANGE OF DATA PRODUCTS AND A LEADING INDEX FRANCHISE TO THE GLOBAL INVESTMENT COMMUNITY

## Capture value from Market Data

- Continue investment to deliver low latency market data feeds
- Ease customer burden to comply with rules
- Continue development of analytic products based on proprietary data

## Build a growing, agile and cost-effective index provider

- Expand geographical scope to provide Benchmark Regulation (BMR) compliant investable products to European and global clients
- Accelerate the development of ESG based indices
- Further enhance technology to gain scale, agility and reach new type of clients

## Revenue model

- Fees charged to data vendors and end users, based on screens
- Licenses for non-display use and historic data and for the distribution to third parties
- On demand indices structuration and computation



€129m, 2019 revenue

100% non-volume related

19% of total Group revenue

122k+ screens

in over 110 countries

400+ data vendors

redistributing data

80+ family of indices

€6.9bn ETF AUM

on Euronext indices

# A STRONG AND DIVERSIFIED COMPANY: POST-TRADE

## Vertically integrated local market infrastructures

**Interbolsa**  **INTERBOLSA**  
A EURONEXT COMPANY  
CSD – Portugal

- Operated, 100% owned by Euronext

**VPS**  **EURONEXT VPS**  
CSD – Norway

- Operated, 100% owned by Euronext

**VP**  **VP SECURITIES**  
CSD – Denmark

- Operated, 100% owned by Euronext

## Equity stakes in global market infrastructures

**Euroclear**  
CSD – EU



- Minority owner since 2002
- c.5% stake

**LCH SA** **LCH** The Markets' Partner  
CCP – Equity & Derivatives, Repos, CDS

- Minority owner since 2017
- 11% stake, 10 year agreement for derivatives clearing

## Transforming post trade assets from core infrastructure to value-added & innovative solutions

- Deliver efficient CSD services to local ecosystems
- Leverage on client relationship and technology to deliver a range of post trade solutions
- Capture opportunities arising from digital assets
- Play an active role in global CSD and CCP in a direction that supports overall Euronext targets

**290+**  
Participants to Euronext CSDs

**€2.2tn**  
Assets under custody at Euronext CSDs

**3,900+**  
equity, debt and other products issuers served by Euronext CSDs

## Revenue model

- Custody & Settlement:** Fees from the settlement of trades/instructions and the custody of securities at Interbolsa (Portuguese CSD), VP (Danish CSD) and VPS (Norwegian CSD)
- Clearing** revenue from treasury services and cleared derivatives trades cleared through LCH S.A



**€105m**, 2019 revenue

**100%** non-volume related for Custody & Settlement

**15%** of total Group revenue

# A STRONG AND DIVERSIFIED COMPANY: TECHNOLOGY SOLUTIONS

## Euronext Technology Solutions

- Optiq® - Powering Business Change: Highly performing flexible technology with 15µs latency, reduced cost of ownership and agile implementation of new business models with unlimited scalability
- Leveraging cloud capabilities to accelerate on delivery
- Continue to extend ability of Optiq® to address various and innovative assets
- Working with sales and delivery partners that have deep resource pools and clients portfolios and can provide fast and cost effective customisation for clients integrating Optiq®

Optiq® - Powering Business Change

10+ trading platform clients

100+ clients of APA/ARM services

Optiq® already selected by 7 clients

### Revenue model

- Software license fees
- IT services provided to third-party market operators
- Connection services and data center co-location services based on the numbers of cabinets and technical design



€38m, 2019 revenue

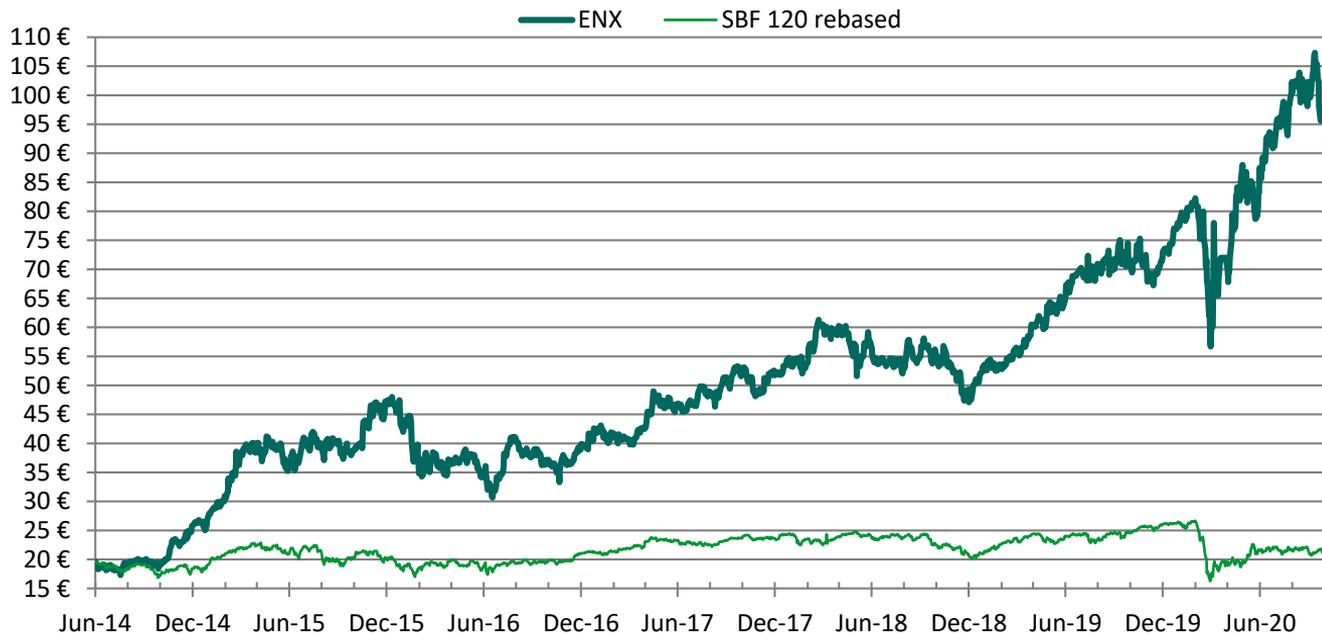
100% non-volume related

5% of total Group revenue

## GOVERNANCE AND CAPITAL STRUCTURE

---

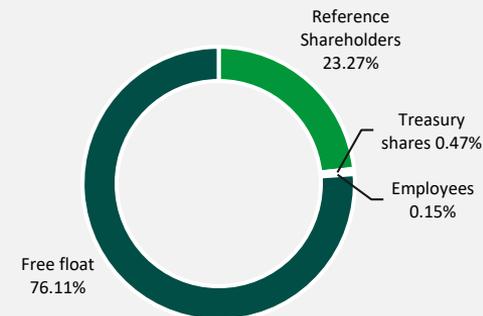
# EURONEXT SHARE AND CAPITAL STRUCTURE



- Market Capitalization as of 30 October 2020
- Bloomberg / Reuters:
- Indices presence:

€6.2bn  
 ENX:FP / ENX.PA  
 SBF120, NEXT 150, CAC MID 60

## Capital structure<sup>1)</sup>



## Reference shareholders

	Ownership
Euroclear Plc	8.00%
BNP Paribas SA	2.22%
SFPI-FPIM	4.50%
Caisse Des Dépôts & Consignations	8.00%
ABN AMRO Bank NV	0.55%
<b>Total reference shareholders</b>	<b>23.27%</b>

## REGULATION GOVERNANCE: A FEDERAL MODEL

One Holding Company (Euronext Group N.V.), with separate legal entities in each of the jurisdictions, having a national licence to operate markets

### College of Regulators (COR)

  
Local Regulator  
AFM

  
Local Regulator  
FSMA

  
Local Regulator  
CMVM

  
Local Regulator  
AMF

  
Local Regulator  
FCA

  
Local Regulator  
CBI

  
Local Regulator  
Finanstilsynet

### Euronext Group N.V.

  
Euronext  
Amsterdam

  
Euronext  
Brussels

  
Euronext  
Lisbon

  
Euronext  
Paris

  
Euronext  
London

  
Euronext  
Dublin

  
Oslo Børs VPS

#### Objectives of the MoU between the Euronext Regulators (updated MoU, June 2018)

- Co-ordinated supervision of the Euronext group
- Co-ordination with regard to approval of rules and regulations (dedicated working groups, Steering and Chairmen committees)
- Co-operation between Regulators enhances harmonization in the context of the E.U. directives implementation

In addition, in the continental jurisdictions, also supervisory role and powers of the Ministries of Finance

# EXPERIENCED MANAGEMENT TEAM

## TWO TIERS BOARD STRUCTURE

### Supervisory Board

9 Supervisory Board members, of which 3 appointed by Euronext Reference Shareholders and 6 independent members

### Managing Board



**Stéphane Boujnah**  
*Chief Executive Officer,  
Chairman of the Managing Board*



**Chris Topples**  
*CEO Euronext London*



**Øivind Amundsen**  
*CEO Oslo Børs VPS*



**Daryl Byrne**  
*CEO Euronext Dublin*



**Anthony Attia**  
*CEO Euronext Paris,  
Head of Global listing & Post-trade*



**Simone Huis in 't Veld**  
*CEO Euronext Amsterdam*



**Isabel Ucha**  
*CEO Euronext Lisbon  
CEO Interbolsa*



**Vincent Van Dessel**  
*CEO Euronext Brussels*



**Georges Lauchard**  
*Chief Operating Officer*

### Extended Managing Board



**Sylvia Andriessen**  
*General Counsel*



**Giorgio Modica**  
*Chief Financial Officer*



**Simon Gallagher**  
*Head of Cash & Derivatives*



**Amaury Houdart**  
*Chief Talent Officer*

# OPEN FEDERAL GOVERNANCE MODEL

EURONEXT N.V. IS A DUTCH PUBLIC COMPANY WITH A TWO-TIER GOVERNANCE (SUPERVISORY BOARD AND MANAGING BOARD)

- Prior to the IPO in 2014, a group of European institutions (who now own 23.27%) acquired shares in Euronext. These are known as the “Reference Shareholders”
- The agreement of Euronext Reference Shareholders has been renewed in June 2019 for a period of 2 years
- Each local exchange has its own Board of Directors

## Euronext extended Managing Board

<b>Stéphane Boujnah</b>	 CEO and Chairman of the Managing Board
<b>Chris Topples</b>	 CEO of Euronext London and Head Global Sales
<b>Øivind Amundsen</b>	 CEO of Oslo Børs VPS
<b>Daryl Byrne</b>	 CEO of Euronext Dublin and Head of Debt, Funds & ETFs listing
<b>Anthony Attia</b>	 CEO of Euronext Paris and Head of Global Listing and Post-trade
<b>Simone Huis in 't Veld</b>	 CEO of Euronext Amsterdam, Head of Market Operation
<b>Isabel Ucha</b>	 CEO of Euronext Lisbon and Interbolsa
<b>Vincent Van Dessel</b>	 CEO of Euronext Brussels, Chairman of the Group Indices Oversight Committee
<b>Georges Lauchard</b>	 COO
<b>Sylvia Andriessen</b>	 General Counsel
<b>Giorgio Modica</b>	 CFO
<b>Simon Gallagher</b>	 Head of Cash and Derivatives
<b>Amaury Houdart</b>	 Chief Talent Officer

## Euronext Supervisory Board

<b>Dick Sluimers</b>	 Chairman (independent)
<b>Lieve Mostrey</b>	 Representative of the reference shareholders
<b>Luc Keuleneer</b>	 Representative of the reference shareholders
<b>Franck Silvent</b>	 Representative of the reference shareholders
<b>Manuel Ferreira da Silva</b>	 Independent
<b>Padraic O'Connor</b>	 Independent
<b>Jim Gollan</b>	 Independent
<b>Nathalie Rachou</b>	 Independent
<b>Morten Thorsrud</b>	 Independent

## EURONEXT Q3 2020 RESULTS

---

## Q3 2020 RESULTS RESULTING FROM CONTINUED BENEFITS FROM DIVERSIFICATION AND RESILIENT CORE BUSINESS

### Revenue

€204.8m

+€23.1m

+12.7%

- Solid revenue growth reflecting continued diversification, with notably the consolidation of Nord Pool (since Q1 2020) and VP Securities (since Q3 2020), and resilient core business
- Non-volume related revenue representing **54%** of total revenue and covering **128%** of costs excl. D&A in a dynamic volume environment

### EBITDA

€117.8m

+€9.8m

+9.1%

- EBITDA margin at **57.5%**, with the consolidation of recently acquired businesses currently being integrated
- Like-for-like EBITDA margin at 59.7% (+0.1pt)
- **Confirmed 2020 organic costs guidance:** strategic plan and Oslo Børs VPS integration costs to ramp up in Q4 2020

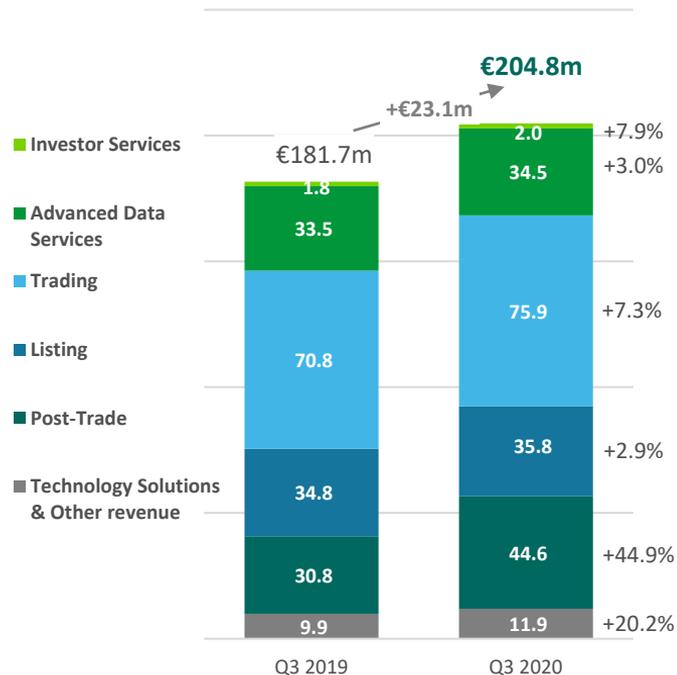
### Adjusted EPS<sup>1)</sup>

1.12€

+13.8%

- Adjusted net income up +13.8% to €77.7 million
- Reported net income, share of the group, up +10.6% to €70.2 million
- Income tax rate at 26.4%, impacted by lower domestic rates and the enlarged Nordic footprint

# Q3 2020 REVENUE UP +12.7% DRIVEN BY THE CONSOLIDATION OF ACQUIRED BUSINESSES AND RESILIENT CORE BUSINESS



- +44.9% increase in Post-trade revenue, driven by the first consolidation of revenue from VP Securities, the Danish CSD, and higher clearing revenue
- Increased trading revenue contributed by Nord Pool power trading offsetting lower cash and derivatives trading volumes
- Listing revenue growth driven by the strong performance of Corporate Services
- Advanced Data Services revenue benefiting from the consolidation of Nord Pool, good performance of indices and resilient market data

**+12.7%**

**Q3 2020 consolidated revenue growth**

**€19.2m**

**Revenue contribution from acquired businesses**

**54%**

**Non-volume related revenue, reflecting increased post-trade activities**

**128%**

**Non-volume related revenue to operating cost coverage vs 129% in Q3 2019**

■ Non-volume related revenue  
■ Volume related revenue

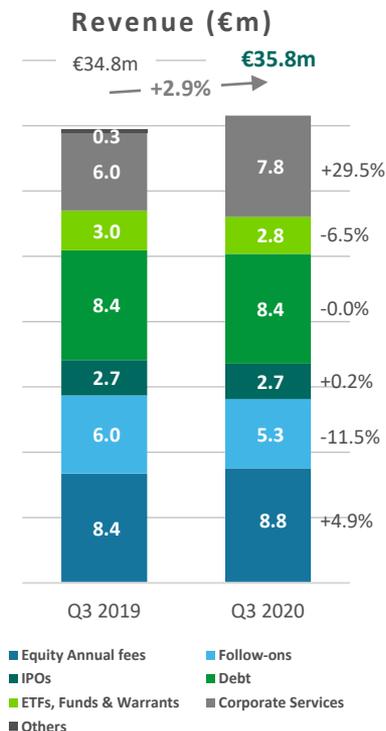


'Organic' and 'Like-for-like' referring to Euronext Group perimeter, at constant currencies, excluding OPCVM360, Ticker, Nord Pool and Oslo Børs VPS as well as any project cost supported by Euronext for the integration of these companies

Volume related revenue accounting for trading and clearing activities and IPOs revenue  
Operating cost coverage equal to non-volume related revenue divided by operating expenses excluding D&A  
Total revenue also include €0.0m of other income in Q3 2020, and €0.1m of other income in Q3 2019

# LISTING REVENUE UP +2.9% TO €35.8M IN Q3 2020

Continued strong performance of Euronext Corporate Services



- Like-for-like at constant currencies, revenue increased +2.6%
- Corporate Services reported a strong performance**, generating €7.8 million in revenue in Q3 2020, reflecting continued success of the offering and increased demand for digital solutions during the pandemic.
- Record quarter in new equity listing with 21 SME listings
- Slowdown in the secondary market issuances impacted by low valuation in a volatile environment.



- €213.2 billion total money raised
- 21 New listings
- €917 million raised on Primary Markets
- +29.5% revenue growth of Corporate Services

## TRADING REVENUE UP +7.3% TO €75.9M IN Q3 2020 (1/2)

Increased market share and yield in cash trading, despite a less volatile environment

### 1 Cash trading

€53.0m

revenue  
-0.6%

€7.5bn

ADV  
-5.8%

0.54bps  
yield

70.0%  
market share  
+0.6 pts

- Lower trading volumes offset by improved average yield and market share
- Like-for-like at constant currencies, revenue decreased -0.2%

### 2 Derivatives trading

€10.8m

revenue  
-6.3%

488k lots

Financial derivatives  
ADV  
-6.8%

62k lots

Commodities  
ADV  
+14.1%

€0.30

Rev. per lot  
-1.3%

- Improved mix with high-yield commodity products volumes partially offsetting the dilutive impact of recently launched equity futures products
- Seasonal increase in agricultural commodities supported by increased commercial traction of the offering
- Like-for-like at constant currencies, revenue was down -6.0%

399k lots  
excl. Single Stock  
and Dividend futures

€0.33  
excl. Single Stock  
and Dividend futures

## TRADING REVENUE UP +7.3% TO €75.9M IN Q3 2020 (2/2)

Stable FX trading revenue at constant currencies and contribution of Nord Pool trading activities

### 3 FX trading

€5.8m

revenue  
-2.4%

\$19.3bn

ADV  
-0.3%

- Solid results thanks to an improved market share in a less volatile environment
- Like-for-like at constant currencies, revenue increased +2.6%

### 4 Power trading

€6.3m

revenue

2.19 TWH

day-ahead ADV

0.07 TWH

intraday ADV

- Lower volumes reflecting usual seasonal slow down during spring and summer months at Nord Pool

## POST-TRADE REVENUE UP +44.9% TO €44.6 M

Consolidation of the Danish CSD VP Securities revenue and higher clearing revenue

### 1 Clearing

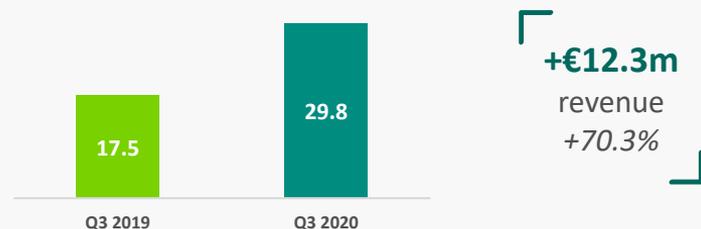
in €m



- Higher treasury income offsetting lower derivatives trading volumes

### 2 Custody, Settlement and other post-trade

in €m



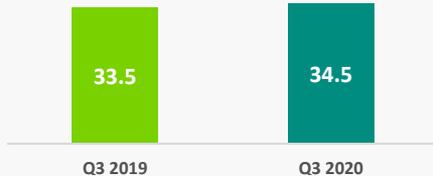
- Contribution from VP Securities: €10.0m
- High settlement activities across Euronext CSDs and increased retail participation in VP Securities and VPS
- Like-for-like at constant currencies, revenue increased +19.5%

# ADVANCED DATA SERVICES, INVESTOR SERVICES AND TECHNOLOGY SOLUTIONS

Consolidation of Nord Pool and resilient performance of the core business

## 1 Advanced Data Services

in €m



**+€1.0 m**  
revenue  
+3.0%

- Contribution of recent acquisitions: Nord Pool for +€0.5m
- Resilient market data activity and continuous success of ESG indices
- Like-for-like at constant currencies, revenue increased +2.6%

## 2 Investor Services

in €m

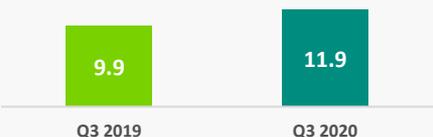


**+€0.1 m**  
Revenue  
+7.9%

- Continued revenue growth thanks to the commercial development
- Like-for-like at constant currencies, revenue increased +9.6%

## 3 Technology Solutions

in €m

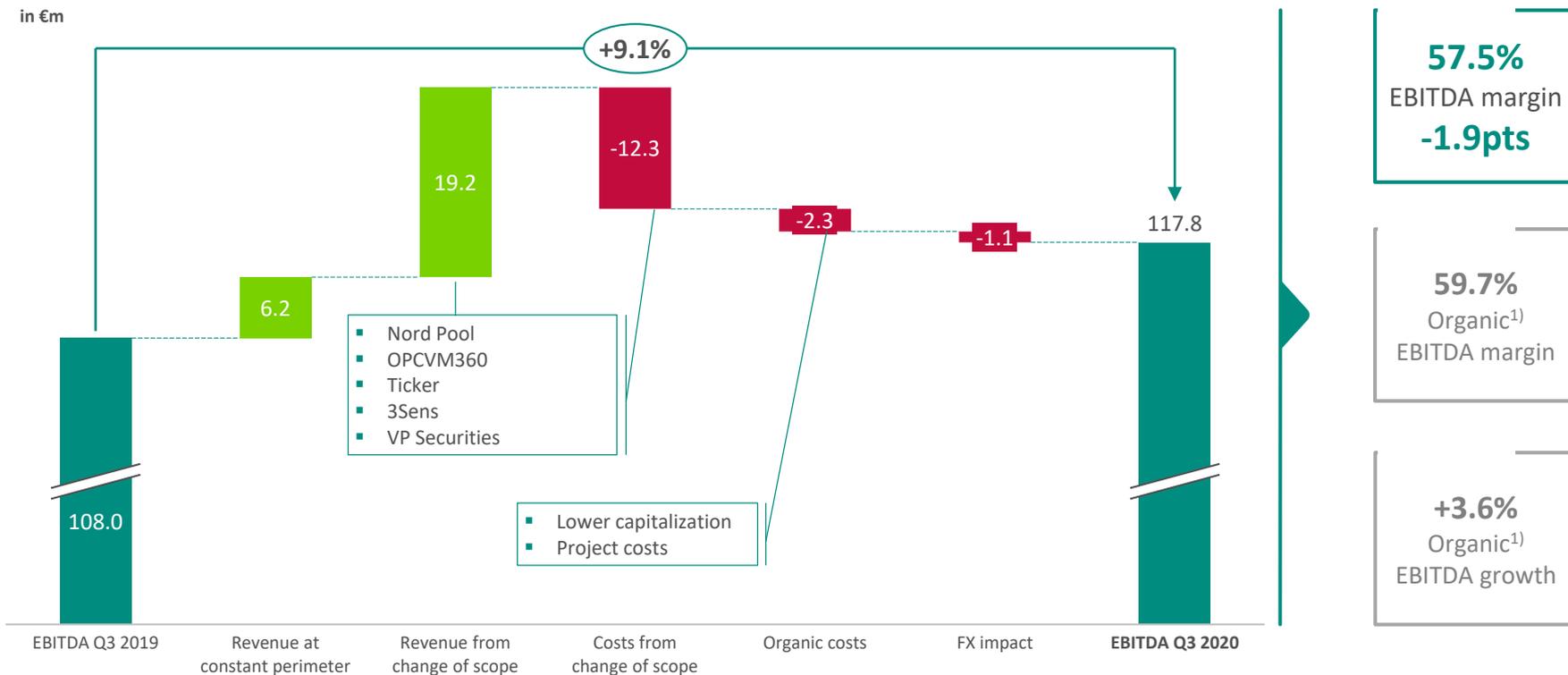


**+€2.0 m**  
revenue  
+20.2%

- Contribution of recent acquisitions: Nord Pool for +€1.8m
- Solid core business
- Like-for-like at constant currencies, revenue increased +2.0%

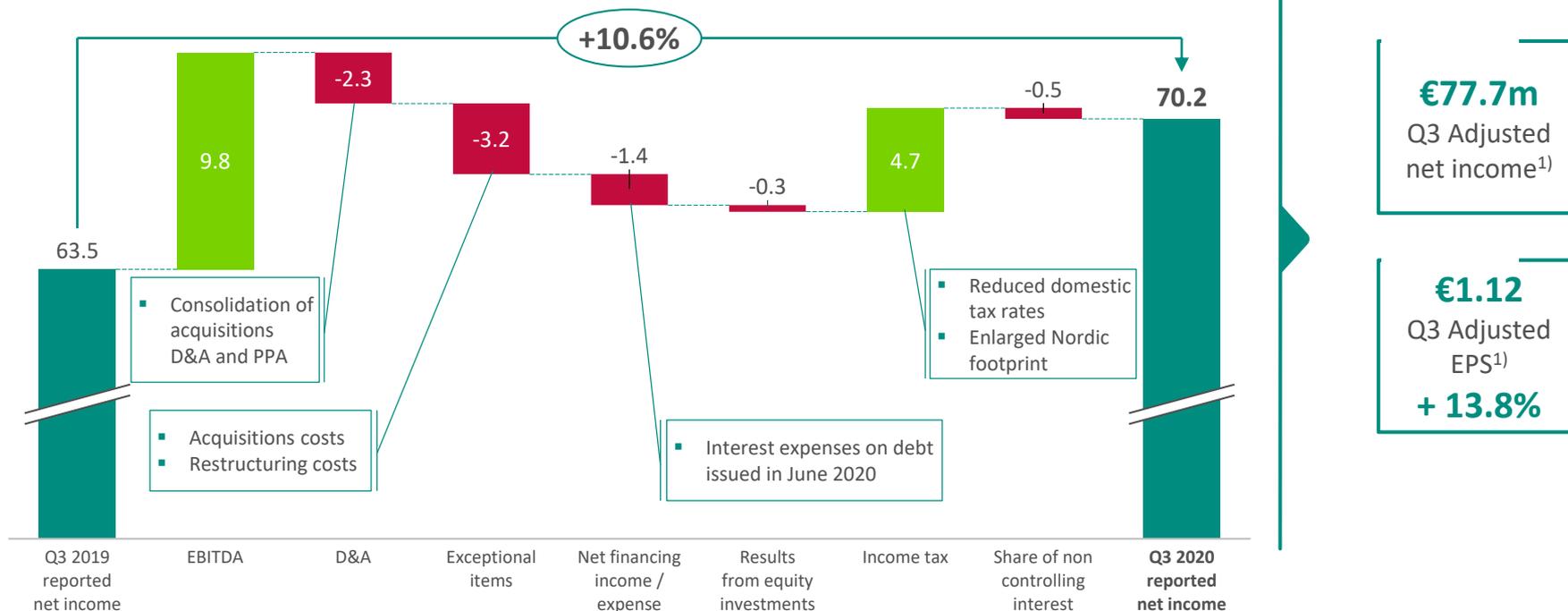
# Q3 2020 EBITDA UP +9.1% TO €117.8 M

Robust performance of core trading business and consolidation of acquisitions

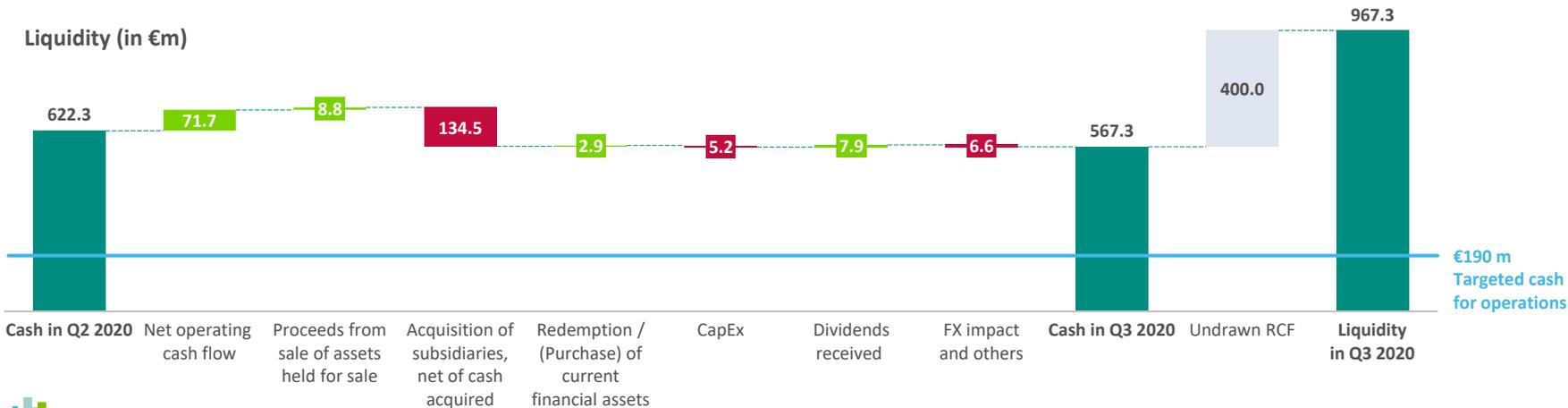
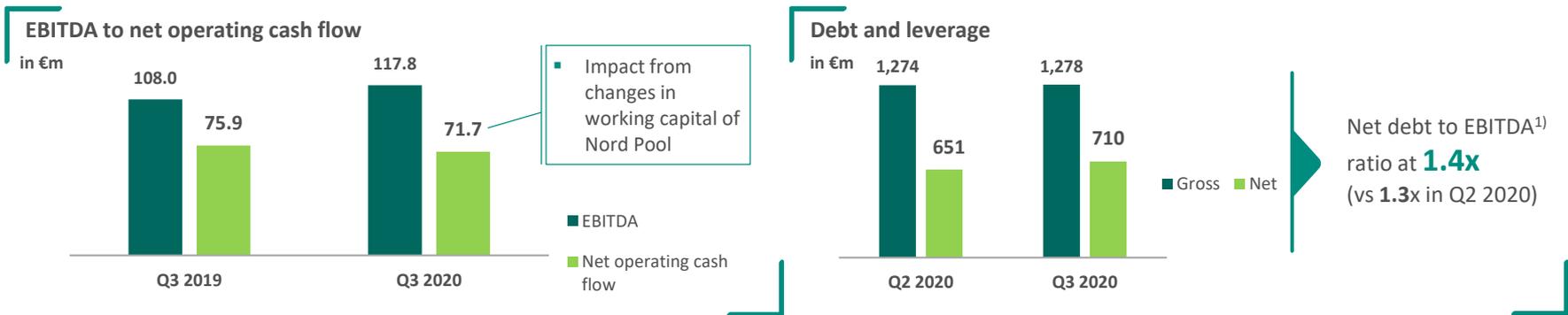


# Q3 2020 NET INCOME UP +10.6% TO €70.2M, ADJUSTED EPS UP +13.8% TO €1.12 PER SHARE

in €m



# SOLID CASH FLOW GENERATION AND LIQUIDITY POSITION

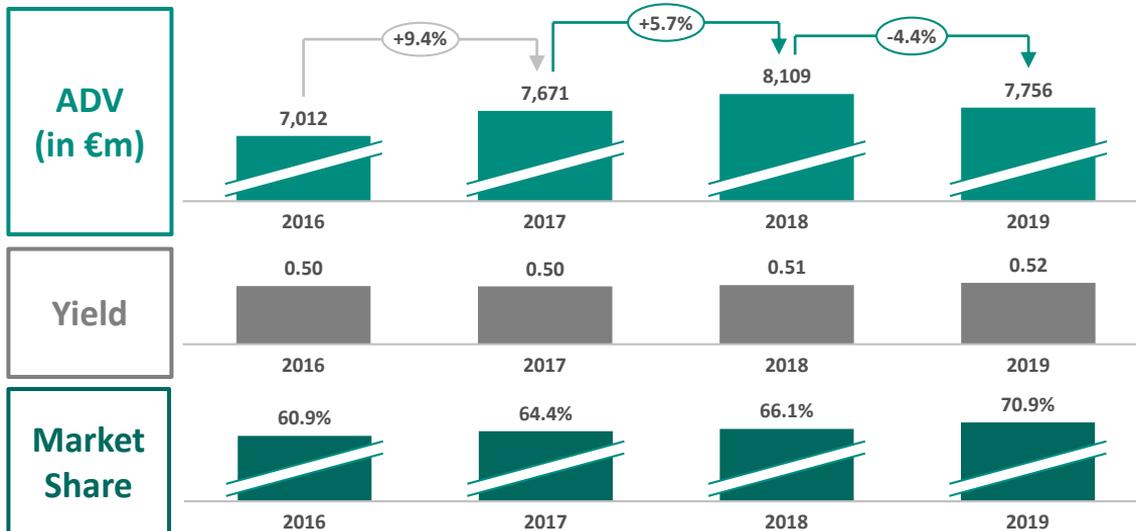


## APPENDIX

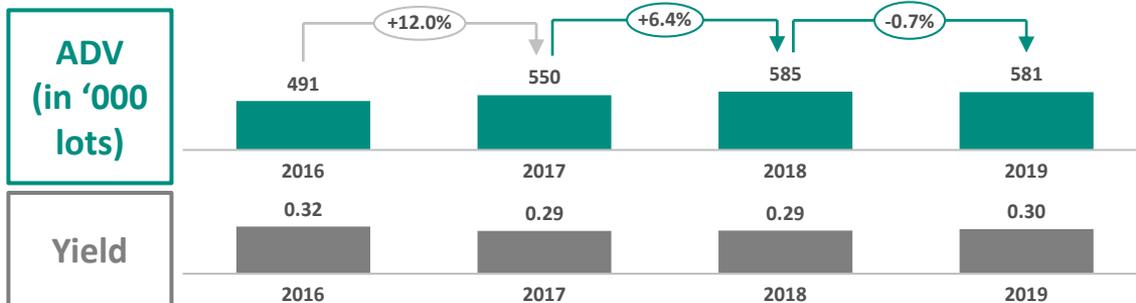
---

# CASH AND DERIVATIVES TRADING PERFORMANCE

## Cash trading



## Derivatives trading



- Improved fee schemes:
  - Best of Book
  - Non-member Omega pack
  - Optimisation of the SLP programme
- Efficient yield management
- Market share > 60% on equity
- Improved competitive landscape
- Products launch
- Improved yield management

# FINANCIAL PERFORMANCE SINCE IPO

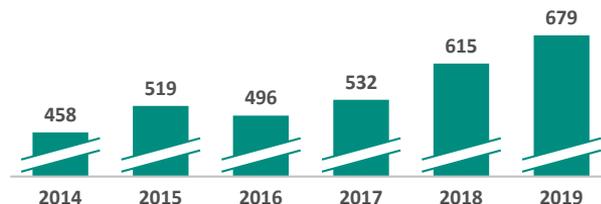
in €m (REPORTED)

	2014	2015	2016	2017	2018	2019
Listing	61.7	70.5	68.7	84.2	106.5	129.0
Trading	212.0	241.7	220.8	237.9	276.6	272.8
of which Cash trading	165.6	197.2	180.7	190.3	210.9	205.6
of which Derivatives trading	46.4	44.5	40.1	40.3	43.9	44.3
of which Spot FX trading				7.2	21.7	22.9
Advanced Data Services	93.3	99.8	105.7	104.7	118.3	128.8
Post trade	57.3	71.7	67.6	71.7	77.4	104.8
Euronext Technologies and other revenue	33.4	34.1	33.0	33.5	36.1	37.8
Other income	0.6	0.7	0.6	0.4	0.2	0.2
<b>Total revenue and other income</b>	<b>458.5</b>	<b>518.5</b>	<b>496.4</b>	<b>532.3</b>	<b>615.0</b>	<b>679.1</b>
Staff expenses	-124.0	-112.2	-99.8	-104.4	-118.5	-153.1
Other operating expenses	-143.1	-122.5	-112.8	-130.1	-142.3	-126.5
<b>EBITDA</b>	<b>191.4</b>	<b>283.8</b>	<b>283.9</b>	<b>297.8</b>	<b>354.3</b>	<b>399.4</b>
<i>EBITDA margin</i>	<i>41.7%</i>	<i>54.7%</i>	<i>57.2%</i>	<i>55.9%</i>	<i>57.6%</i>	<i>58.8%</i>
Depreciation and amortisation	-16.6	-17.1	-15.1	-16.9	-23.4	-43.7
<b>Operating profit before exceptional items</b>	<b>208.8</b>	<b>266.8</b>	<b>268.8</b>	<b>280.9</b>	<b>330.9</b>	<b>355.7</b>
Exceptional items	-44.6	-28.7	-10.0	-14.8	-21.5	-21.9
Other items	-1.9	0.5	5.2	45.0	2.3	8.2
<b>Profit before income tax</b>	<b>162.3</b>	<b>238.6</b>	<b>264.0</b>	<b>311.1</b>	<b>311.7</b>	<b>325.6</b>
Income tax expense	-44.1	-65.9	-67.0	-68.9	-94.1	-100.3
Non-controlling interests	0.0	0.0	0.0	0.9	1.7	-3.3
<b>Profit for the year</b>	<b>118.2</b>	<b>172.7</b>	<b>197.0</b>	<b>241.3</b>	<b>216.0</b>	<b>222.0</b>

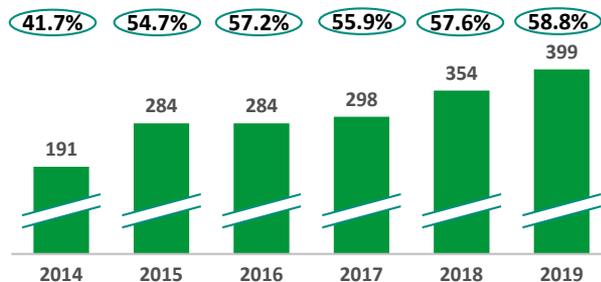


1) 2019 dividend subject to shareholders approval at 2020 annual general meeting

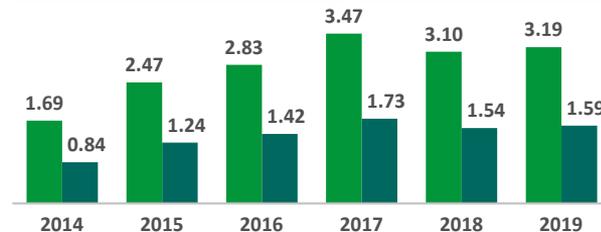
Revenue (in €m, 3<sup>rd</sup> party revenue only)



EBITDA (in €m, based on 3<sup>rd</sup> party revenue)



Reported earnings and dividend per share<sup>1)</sup>



# BALANCE SHEET

<i>in €m</i>	2014	2015	2016	2017	2018	2019
<b>Assets</b>						
Goodwill and other intangible asset	321.3	321.4	321.2	515.1	705.6	1,458.8
Other non-current assets	151.0	163.2	172.6	266.2	360.4	399.5
<b>Total non-current assets</b>	<b>472.2</b>	<b>484.6</b>	<b>493.8</b>	<b>781.4</b>	<b>1,066.1</b>	<b>1,858.3</b>
Other current assets	143.2	106.7	89.2	96.4	134.4	170.3
Cash and cash equivalent	241.6	158.6	174.5	187.8	398.0	369.8
<b>Total current assets</b>	<b>384.8</b>	<b>265.3</b>	<b>263.7</b>	<b>284.2</b>	<b>532.4</b>	<b>540.1</b>
<b>Total assets</b>	<b>857.1</b>	<b>749.9</b>	<b>757.5</b>	<b>1,065.6</b>	<b>1,598.5</b>	<b>2,407.2</b>
<b>Equity and liabilities</b>						
<b>Total equity</b>	<b>341.8</b>	<b>447.2</b>	<b>548.0</b>	<b>729.5</b>	<b>802.3</b>	<b>933.8</b>
Borrowings	248.4	108.2	69.0	164.7	504.9	1,011.5
Other non-current liabilities	49.3	15.8	20.3	46.6	97.0	206.9
<b>Total non-current liabilities</b>	<b>297.7</b>	<b>124.0</b>	<b>89.3</b>	<b>211.3</b>	<b>601.9</b>	<b>1,218.3</b>
<b>Total current liabilities</b>	<b>217.6</b>	<b>178.7</b>	<b>120.2</b>	<b>124.8</b>	<b>194.2</b>	<b>255.1</b>
<b>Total equity and liabilities</b>	<b>857.1</b>	<b>749.9</b>	<b>757.5</b>	<b>1,065.6</b>	<b>1,598.5</b>	<b>2,407.2</b>

## Total equity (in €m)



## Total debt (in €m)



## Dividend paid (with regards to fiscal year, in €m)



## Cash and cash equivalents (in €m)



## VP SECURITIES: FROM 2019 REPORTED COSTS TO CASH COSTS

The €7 million costs synergies will also include capitalised costs and thus be communicated as « cash costs », as described below, in order to fully reflect the synergy effort.

	2019A (DKK'000)	2019A (€m)
<b>Revenue</b>	<b>425,841</b>	<b>57.2</b>
Operating costs	- 300,418	
Capex	- 48,950	
<b>Cash costs (Opex + Capex)</b>	<b>- 349,368</b>	<b>- 46.9</b>
<i>o/w activity based costs</i>	<i>- 26,372</i>	<i>- 3.5</i>
<b>Cash EBIT (Revenue - Cash costs)</b>	<b>76,473</b>	<b>10.3</b>

Starting point costs base for the €7 million run-rate cash costs synergies by 2023:  
**CASH COSTS – ACTIVITY BASED COSTS = €43.4 MILLION**

# AJUSTED EPS, SEASONALITY AND FX SENSITIVITY

## 1 Adjusted EPS reconciliation table

<i>In €m unless stated otherwise</i>	Q3 2020	Q3 2019
Net Income Reported	70.2	63.5
<i>EPS Reported (€ per share)</i>	1.01	0.91
Intangible assets adj. related to acquisitions (PPA)	- 5.4	- 5.5
Exceptional items	- 3.5	- 0.3
Tax related to those items	1.4	1.0
<b>Adjusted for intangible assets related to acquisitions, capital gains or losses and exceptional items, incl. tax</b>		
Adj. Net Income	77.7	68.3
<b>Adj. EPS (€ per share)</b>	<b>1.12</b>	<b>0.98</b>

## 2 Nord Pool revenue historical seasonality

% of Nord Pool annual revenue	2019	2018
Q1	27%	27%
Q2	22%	23%
Q3	23%	20%
Q4	28%	30%

## EUR/NOK Sensitivity table

	Average rate Q2 2020	Closing Rate 30 June 2020	Average rate Q2 2019	Closing Rate 30 June 2019
EUR/NOK	11.028479	10.8384	9.716277	9.6994
NOK/EURO	0.0907	0.0923	0.1029	0.1031

*In Q2 2020, a 10% change in NOK/Euro average rate would have changed the Group's revenue by c.€3.5 million and costs excluding D&A by c.€1.6 million.*

## Q3 2020 INCOME STATEMENT

Unaudited, In €m	Q3 2020	Q3 2019	% var
<b>Revenue</b>	<b>204.8</b>	<b>181.7</b>	<b>+12.7%</b>
Listing	35.8	34.8	+2.9%
Trading revenue	75.9	70.8	+7.3%
Cash Trading	53.0	53.4	-0.6%
Derivatives Trading	10.8	11.5	-6.3%
Spot FX Trading	5.8	6.0	-2.4%
Power trading	6.3	0.0	n/a
Investor Services	2.0	1.8	+7.9%
Advanced Data Services	34.5	33.5	+3.0%
Post-trade	44.6	30.8	+44.9%
Clearing	14.9	13.3	+11.7%
Custody, Settlement and other post-trade	29.8	17.5	+70.3%
Technology Solutions & other revenue	11.9	9.9	+20.2%
Other income	0.0	0.1	-59.0%
<b>Operational expenses excluding D&amp;A</b>	<b>-87.1</b>	<b>-73.8</b>	<b>+18.0%</b>
Salaries and employee benefits	-48.3	-40.7	+18.8%
Other Operational Expenses	-38.8	-33.1	+17.0%
System & Communication	-10.1	-7.6	+32.5%
Professional Services	-12.6	-9.3	+36.4%
Clearing expense	-8.1	-7.2	+12.2%
Accommodation	-2.0	-1.7	+19.4%
Other Operational Expenses	-5.9	-7.4	-19.5%
<b>EBITDA</b>	<b>117.8</b>	<b>108.0</b>	<b>+9.1%</b>
<i>EBITDA margin</i>	<i>57.5%</i>	<i>59.4%</i>	<i>-1.9 pts</i>
Depreciation & Amortisation	-15.4	-13.1	+17.8%
<b>Operating Profit before Exceptional items</b>	<b>102.3</b>	<b>94.9</b>	<b>+7.9%</b>
Exceptional items	-3.5	-0.3	n/a
<b>Operating Profit</b>	<b>98.8</b>	<b>94.6</b>	<b>+4.5%</b>
Net financing income / (expense)	-3.4	-2.0	+68.3%
Results from equity investments	1.8	2.1	-14.3%
<b>Profit before income tax</b>	<b>97.2</b>	<b>94.7</b>	<b>+2.7%</b>
Income tax expense	-25.6	-30.4	-15.6%
Share of non-controlling interests	-1.4	-0.8	+66.1%
<b>Profit for the period</b>	<b>70.2</b>	<b>63.5</b>	<b>+10.6%</b>

# BALANCE SHEET AS AT 30 SEPTEMBER 2020

Unaudited, In €m	As at 30 Sept 2020	As at 30 June 2020
<b>Non-current assets</b>		
Property, plant and equipment	55.5	55.7
Right-of-use assets	51.1	46.2
Goodwill and other intangible assets	1,515.2	1,439.0
Deferred income tax assets	20.3	19.1
Investments in associates and JV	65.3	71.4
Financial assets at fair value through OCI	199.6	199.6
Other non current assets	4.1	3.8
<b>Total non-current assets</b>	<b>1,911.1</b>	<b>1,834.8</b>
<b>Current assets</b>		
Trade and other receivables	210.8	197.5
Income tax receivable	3.8	4.6
Derivative financial instruments	24.2	24.2
Other short-term financial assets	90.2	37.1
Cash & cash equivalents	567.3	622.3
<b>Total current assets</b>	<b>896.3</b>	<b>885.7</b>
Assets held for sale	-	8.8
<b>Total assets</b>	<b>2,807.4</b>	<b>2,729.3</b>

Unaudited, In €m	As at 30 Sept 2020	As at 30 June 2020
<b>Shareholders' equity</b>		
Shareholders' equity	966.2	906.6
Non-controlling interests	31.3	29.4
<b>Total Equity</b>	<b>997.5</b>	<b>936.0</b>
<b>Non-current liabilities</b>		
Borrowings	1,272.2	1,271.9
Lease liabilities	33.9	34.8
Other non-current financial liabilities	-	-
Deferred income tax liabilities	87.3	72.9
Post employment benefits	25.9	26.0
Contract liabilities	42.4	44.1
Other provisions	14.2	14.4
<b>Total Non-current liabilities</b>	<b>1,476.0</b>	<b>1,464.1</b>
<b>Current liabilities</b>		
Borrowings	5.3	1.6
Lease liabilities	20.7	14.7
Other current financial liabilities	1.0	1.0
Derivative financial instruments	-	-
Income tax payable	31.7	31.0
Trade and other payables	200.3	190.9
Contract liabilities	73.4	88.1
Other provisions	1.6	1.7
<b>Total Current liabilities</b>	<b>333.9</b>	<b>329.1</b>
<b>Total equity and liabilities</b>	<b>2,807.4</b>	<b>2,729.3</b>

## Q3 2020 CASH FLOW AND LIQUIDITY POSITION

Unaudited, In €m	Q3 2020	Q3 2019
<b>Profit before tax</b>	<b>97.2</b>	<b>94.7</b>
<b>Adjustments for:</b>		
- Depreciation and amortisation	15.4	13.1
- Share based payments	2.3	1.8
- Share of profit from associates and joint ventures	-1.8	-2.1
- Changes in working capital	-14.1	-9.0
<b>Cash flow from operating activities</b>	<b>99.0</b>	<b>98.5</b>
Income tax paid	-27.3	-22.6
<b>Net cash flows from operating activities</b>	<b>71.7</b>	<b>75.9</b>
<b>Cash flow from investing activities</b>		
Acquisition of subsidiaries, net of cash acquired	-134.5	-16.2
Proceeds from sale of assets held for sale	8.8	0.0
Purchase of current financial assets	-1.2	-0.8
Redemption of current financial assets	4.0	0.0
Purchase of property, plant and equipment	-1.2	-4.1
Purchase of intangible assets	-4.0	-3.2
Dividends received from associates	7.9	0.1
<b>Net cash flow from investing activities</b>	<b>-120.2</b>	<b>-24.2</b>
<b>Cash flow from financing activities</b>		
Proceeds from borrowings, net of transaction fees	0.2	0.0
Repayment of borrowings, net of transaction fees	0.0	-45.7
Interest paid	-0.1	-0.1
Interest received	0.0	0.2
Payment of lease liabilities	-3.9	-2.8
Transaction of own shares	0.0	0.4
Employee Share transactions	0.0	-1.4
Dividends paid to non-controlling interests	0.0	-0.2
<b>Net cash flow from financing activities</b>	<b>-3.9</b>	<b>-49.6</b>
<b>Total cash flow over the period</b>	<b>-52.3</b>	<b>2.1</b>
Cash and cash equivalents - Beginning of period	622.3	324.3
Non cash exchange gains/(losses) on cash and cash equivalents	-2.7	-1.3
<b>Cash and cash equivalents - End of period</b>	<b>567.3</b>	<b>325.1</b>

Unaudited, In €m	Q3 2020	Q3 2019
<b>Cash beginning of period</b>	<b>622.3</b>	<b>324.3</b>
Investments (incl. subsidiaries net of cash acquired & associates)	- 134.5	- 16.2
Dividends received from associates	7.9	0.1
Cash accumulation, net of others	71.4	17.0
<b>Cash end of period</b>	<b>567.3</b>	<b>325.1</b>
Undrawn RCF	400.0	355
<b>Available Liquidity</b>	<b>967.3</b>	<b>680.1</b>

## DISCLAIMER

*This presentation is for information purposes only and is not a recommendation to engage in investment activities. The information and materials contained in this presentation are provided 'as is' and Euronext does not warrant as to the accuracy, adequacy or completeness of the information and materials and expressly disclaims liability for any errors or omissions. This presentation contains materials produced by third parties and this content has been created solely by such third parties with no creative input from Euronext. It is not intended to be, and shall not constitute in any way a binding or legal agreement, or impose any legal obligation on Euronext. All proprietary rights and interest in or connected with this publication shall vest in Euronext. No part of it may be redistributed or reproduced without the prior written permission of Euronext.*

*This presentation may include forward-looking statements, which are based on Euronext's current expectations and projections about future events. By their nature, forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors because they relate to events and depend on circumstances that will occur in the future whether or not outside the control of Euronext. Such factors may cause actual results, performance or developments to differ materially from those expressed or implied by such forward-looking statements. Accordingly, no undue reliance should be placed on any forward-looking statements. Forward-looking statements speak only as at the date at which they are made. Euronext expressly disclaims any obligation or undertaking to update, review or revise any forward-looking statements contained in this presentation to reflect any change in its expectations or any change in events, conditions or circumstances on which such statements are based unless required to do so by applicable law.*

*Financial objectives are internal objectives of the Company to measure its operational performance and should not be read as indicating that the Company is targeting such metrics for any particular fiscal year. The Company's ability to achieve these financial objectives is inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the Company's control, and upon assumptions with respect to future business decisions that are subject to change. As a result, the Company's actual results may vary from these financial objectives, and those variations may be material.*

*Efficiencies are net, before tax and on a run-rate basis, ie taking into account the full-year impact of any measure to be undertaken before the end of the period mentioned. The expected operating efficiencies and cost savings were prepared on the basis of a number of assumptions, projections and estimates, many of which depend on factors that are beyond the Company's control. These assumptions, projections and estimates are inherently subject to significant uncertainties and actual results may differ, perhaps materially, from those projected. The Company cannot provide any assurance that these assumptions are correct and that these projections and estimates will reflect the Company's actual results of operations*

*Euronext refers to Euronext N.V. and its affiliates. Information regarding trademarks and intellectual property rights of Euronext is located at <https://www.euronext.com/terms-use>.  
© 2020, Euronext N.V. - All rights reserved.*



## INVESTOR RELATIONS

[Aurélie Cohen, Head of Investor Relations](#)

[Clément Kubiak, Investor Relations officer](#)

[ir@euronext.com](mailto:ir@euronext.com)

+33 1 70 48 24 17

[www.euronext.com/en/investor-relations](http://www.euronext.com/en/investor-relations)

